UNIVERSITY OF MASSACHUSETTS
COMMITTEE/BOARD MINUTES 2004

BOARD OF TRUSTEES

1. February 4, 2004 College of Visual and Performing Arts New Bedford, MA
2. March 24, 2004 Omni Parker House, Boston, MA
3. May 5, 2004 UMASS Amherst
4. August 4, 2004 Hoagland Pincus Conference Center, Shrewsbury, MA
5. November 10, 2004 UMASS Boston
6. December 21, 2004 One Beacon St, Boston, MA

ACADEMIC and STUDENT AFFAIRS

1. January 21, 2004 UMASS Boston
2. April 21, 2004 UMASS Boston
3. July 20, 2004 UMASS Boston
4. October 19, 2004 UMASS Boston

ADMINISTRATION and FINANCE & AUDIT

1. January 22, 2004 One Beacon St, Boston, MA
2. April 29, 2004 One Beacon St, Boston, MA
3. July 22, 2004 One Beacon St, Boston, MA
4. October 21, 2004 One Beacon St, Boston, MA

ATHLETICS

1. March 3, 2004 One Beacon St, Boston, MA

COMMITTEE OF THE WHOLE

1. February 4, 2004 College of Visual and Performing Arts New Bedford, MA
2. May 4, 2004 UMASS Amherst
3. November 9, 2004 UMASS Boston

DEVELOPMENT

1. January 22, 2004 One Beacon St, Boston, MA
2. April 20, 2004 One Beacon St, Boston, MA
3. July 22, 2004 One Beacon St, Boston, MA
4. November 9, 2004 UMASS Boston

GOVERNANCE

1. May 18, 2004 One Beacon St, Boston, MA
2. June 17, 2004 One Beacon St, Boston, MA
3. July 6, 2004 One Beacon St, Boston, MA
4. July 20, 2004 One Beacon St, Boston, MA

INVESTMENT

1. April 12, 2004
2. June 25, 2004
3. September 21, 2004
4. November 30, 2004

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UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

Wednesday, February 4, 2004; 11:00 a.m.
College of Visual & Performing Arts
Star Store
715 Purchase Street
New Bedford, MA

Trustees Present: Chair Fey; Vice Chair Giblin; Trustees Brathwaite, DiBiaggio, Karam, James Mahoney, Robert Mahoney, Marcalo, McCarthy, Moes, Morand, O'Shea, Rainey, Reed, Sheridan and White

Trustees Absent: Trustees Austin, Boyle, Cassel, Dubilo, Fatemi and Kennedy

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Julian, Chmura and Lenhardt; Ms. Harrington; Associate Vice President for Academic Affairs; Chancellors Lombardi, Gora, MacCormack, Hogan and Lazare

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor LeClair, UMASS Dartmouth, Dr. Cooke, UMASS Worcester

Chair Fey convened the meeting at 11:45 a.m. The first item on the agenda was the **Chair's Report.** Chair Fey welcomed everyone to the new facility that now houses the College of Visual & Performing Arts.

Chair Fey reported that earlier in the day at the meeting of the Committee of Whole, the Board had heard reports from the campuses about the future of the University. The University has big plans despite budget cuts and is ready to move forward.

Chair Fey then gave a brief update on the President's Search Committee. The Committee has received some very strong recommendations and is in the process of interviewing highly qualified candidates. Chair Fey commended the members of the Committee for their diligence with the search and thanked Trustees Bissonnette Moes and Austin for their leadership as co-chairs of the Committee.

Chair Fey then invited the members of the Board to contact her, and/or the co-chairs for their input into the search.

The next item on the agenda was **Consideration of Minutes of the Previous Meeting of the Board**.

It was moved, seconded and

VOTED: To approve the minutes of the November 5, 2003 meeting of the Board.

Chair Fey then introduced Trustee Marcalo to give the **Student Trustee Report, UMASS Dartmouth**. Trustee Marcalo reported on the importance of the Women's Resource Center and the Women's Studies Program on the Dartmouth campus. The Center provides many opportunities to women for professional and personal development.

Trustee Marcalo expressed her admiration for the women on the Board and Chancellor MacCormack for their strong leadership roles.

The next item was the **President's Report**. President Wilson reported on the latest budget news: employee contracts have been funded with $26 million dollars, a supplemental funding of the base budget at $10 million, the Star Store has been funded with $3 million; the University has put in a request for the FY2005 budget at $383 million.

President Wilson also reported on a $100 million Technology Bill, a Mass Insight Roadmap meeting on February 6 with Senator Kennedy and reported on a High Tech Executive Council kick-off meeting that was held on January 23rd. He also announced that the Donahue Institute will host an Executive Academy for the Governor and the Cabinet and is launching an executive branch training institute.

President Wilson reported that there is continued discussion with the Board of Higher Education regarding the sharing of services with state and community colleges. He also announced David MacKenzie would be heading up the UMASS Building Authority and that Evaluations for the Chancellors are underway.

Currently there is a six-month strategic comprehensive communications plan underway. There will be television adds already in production using the theme "Making Massachusetts and the World a Better Place" focussing on the University's excellence and impact.

Trustee McCarthy then made a statement thanking the President for his role with the employee contracts being funded and the Board for their support with this issue.

Chair Fey asked for a motion to go into **Executive Session** to discuss certain **Real Estate Transactions**. The Board will reconvene in open session in approximately twenty minutes.

It was moved, seconded and

VOTED: To enter Executive Session to discuss certain **Real Estate Transactions**.

Chair Fey voted for the motion as did Vice Chair Giblin, Trustees Brathwaite, DiBiaggio, Karam, James Mahoney, Robert Mahoney, Marcalo, McCarthy, O'Shea, Rainey, Sheridan and White. The time was 12:10 p.m.

At 1:02 p.m. the Board returned to **Open Session**.

Trustee Mahoney then gave the **Report of the Development Committee** and announced that we are making progress with our annual fundraising goals. The Development Officers have pledged that their campus will meet their goals.

Trustee Mahoney announced that the new Campus Center at UMASS Boston will kick off their opening with a gala scheduled for Monday, April 26 which will support scholarships for students on the Boston campus. He also reported on the current President's Fund Appeal and will be in touch with Trustees that have not yet responded.

Chair Fey introduced the **Consent Agenda**. It was moved, seconded and

VOTED: To accept the following Audit Reports on the Board Consent Agenda:

1. FY2003 University Management Letter (Doc. T04-019)
2. Office of Student Financial Assistance Report (Doc. T04-017)
3. A-133 Audit Report (Doc. T04-018)
4. WUMB-FM Radio Financial Statements and Supplementary Information and Communication Letter (Doc. T04-004)
5. WFCR-FM & the Friends of WFCR, Inc. Combined Financial Statements, WFCR-FM Management Letter and Communication Letter (Doc. T04-002)
6. Purchase Credit Card Program Review, UMASS Boston, Dartmouth and Lowell (Doc. T04-001)
7. Intercollegiate Athletic Department, Statement of Revenues and Expenditures (Doc. T04-015)
8. Report on the Minuteman Court Club and UMASS Athletic Sports Activity Fund (Doc. T04-016)
9. Audit Activity Report (Doc. T04-005)

The next item on the agenda was the report of the **Committee on Administration, Finance and Audit**. Trustee Karam reported that the Committee met on January 22nd and heard a report from PricewaterhouseCoopers summarizing recent audit engagements.

Trustee Karam then provided some highlights for each action item. The FY2003 Financial Report showed generally favorable results continuing to improve the capital improvement program. The FY2005 Student Charges reflect a serious attempt to return to the policy of holding fee increases to no more than the rate of inflation.

The Amendment to the Worcester Campus Intellectual Property Policy involved the sharing of licensing revenues.

The first item was **FY2003 Financial Report**. It was moved, seconded and

VOTED: To approve the FY2003 Financial Report as contained in Doc. T04-014.

The next item was **FY2005 Student Charges**. It was moved, seconded and

VOTED: In accordance with Section lA of Chapter 75 of the General Laws, to establish and approve tuition at the following maximum rates for the Amherst, Boston, Dartmouth and Lowell campuses for academic year 2004-2005:

Tuition	Amherst	Boston	Dartmouth	Lowell
Undergraduate (resident)	**$1,714**	**$1,714**	**$1,417**	**$1,454**
Undergraduate (non-resident)	$9,937	$9,758	$8,099	$8,567
Graduate (resident)	$2,640	$2,590	$2,071	$2,183
Graduate (non-resident)	$9,937	$9,758	$8,099	$8,567

And further, in accordance with Section lA of Chapter 75 of the General Laws, to establish and approve the following maximum mandatory fee rates for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2004-2005:

Total Mandatory Fees (Curriculum & Other Mandatory Charges)	Amherst	Boston	Dartmouth	Lowell	
Undergraduate (resident)	**$7,294**	**$6,310**	**$6,385**	**$6,437**	
Undergraduate (non-resident)	$7,924	$8,999	$9,203	$9,857	
Graduate (resident)	$6,639	$6,322	$6,868	$5,811	*
Graduate (non-resident)	$7,544	$9,011	$9,203	$8,297	*

*Per 9 credit load

And further, in accordance with Policy T92-031, Appendix E, to authorize the President to approve, no later than April 9th, 2004, the individual rates for mandatory charges, providing that total mandatory student charges shall not exceed the total rates as outlined below for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2004-2005:

Total Mandatory Student Charges	**Amherst**	**Boston**	**Dartmouth**	**Lowell**
Undergraduate (resident)	**$9,008**	**$8,023**	**$7,802**	**$7,891**
Undergraduate (non-resident)	$17,861	$18,757	$17,302	$18,424
Graduate (resident)	$9,279	$8,912	$8,939	$7,994
Graduate (non-resident)	$17,481	$18,769	$17,302	$16,864

And further, in accordance with Section lA of Chapter 75 of the General Laws, to establish and approve the following tuition and maximum mandatory fee rates for the Worcester campus for academic year 2004-2005:

Worcester	**Tuition**	**Mandatory Fees**	**Total Student Charges**
Medical School (resident)	$8,352	$5,653	$14,005
Ph.D./MD (resident)	$2,640	$20,626	$23,266
Ph.D./MD Years 1-2 (non-resident)	$9,856	$35,626	$45,482
Ph.D./MD Years 3+ (non-resident)	$9,856	$25,770	$35,626
Graduate School of Nursing (resident)	$2,640	$5,653	$8,293
Graduate School of Nursing (non-resident)	$9,856	$5,653	$15,509
Grad. School of Biomedical Science (resident)	$2,640	$3,942	$6,582
Grad. School of Biomedical Science(non-resident)	$9,856	$3,942	$13,798

And further, in accordance with Section lA of Chapter 75 of the General Laws and T92-031 (Appendix E), to authorize the President to approve, no later than April 9, 2004, final student housing rent and food service charges providing that total charge to undergraduate Massachusetts resident students shall not exceed the average rates as outlined below for academic year 2004- 2005:

Average Student Housing Rent & Food Service Charges (includes residential telecommunication charge)	
Amherst	$6,189
Dartmouth	$7,740
Lowell	$6,011

And further, to authorize the President to approve, no later than April 9, 2004, the full schedule of rent and food service charges for all other classifications of students, room options and meal plans for academic year 2004-2005.

And further, to authorize the President to approve, no later than April 9, 2004, individual fee rates for other student fees and student fee/revenue based operations charges not already approved by the Board for academic year 2004-2005. (Doc. T04-021)

The next item was **Amendment to Worcester Campus Intellectual Property Policy**. It was moved, seconded and

VOTED: To amend Doc. T96-040 as approved on April 11, 1996 by the Board of Trustees for the University of Massachusetts Worcester, as amended by vote of said Board on May 5, 1999, by (1) modifying the second bullet under Section III.G.1.b; (2) adding a new Section III.G.1.c.; (3) replacing the introductory paragraph for Section III.G.2.; (4) replacing Section III.G.2.b.; (5) adding new Sections III.G.2.c., III.G.2.d, and III.G.2.e; and (6) modifying Section I.D, as follows:

III.G.1.b.· Thirty percent (30%) to the inventor(s) or creator(s), except to the extent the revenue from Intellectual Property is derived from University of Massachusetts Biologics Laboratory projects. In the case of multiple inventors or creators, their shares will be distributed as they unanimously agree at the time of the invention disclosure. If the inventors or creators cannot agree on the distribution between (among) them, their shares will be distributed in equal portions.

III.G.1.c. Notwithstanding the other provisions of this policy, unless the Chancellor with the approval of the President specifically determines otherwise or as required by law, employees of the University of Massachusetts Biologics Laboratory, and other employees of the

University working on projects funded by and in collaboration with said Biologics Laboratory, shall not receive an inventor(s)/creator(s) share distribution of non-equity licensing revenue; provided further, that all such revenue that would have gone to said inventor(s) or creator(s) shall go instead to said Biologics Laboratory.

III.G.2. Acceptance of equity -- The University may accept an equity interest in a company; provided that before the CVIP agrees to accept equity, it must receive the approval of the Vice Chancellor for Research, the Vice President for Economic Development, and the University Treasurer. The equity received by the University in connection with the commercialization of Intellectual Property will be held until liquidation, unless otherwise distributed pursuant to Section III.G.2.d or III.G.2.e below, with the proceeds distributed as follows:

III.G.2.b. The remaining proceeds from equity liquidation will be distributed as follows:

- Thirty percent (30%) to the inventor(s) or creator(s) except to the extent the equity is consideration for the licensing of Intellectual Property that is derived from University of Massachusetts Biologics Laboratory projects. In the case of multiple inventors or creators, their shares will be distributed as they unanimously agree at the time of the invention disclosure. If the inventors or creators cannot agree on the distribution between (among) them, their shares will be distributed in equal portions.
- Fifteen percent (15%) for endowment in the department or program of the inventor(s) or creator(s).

- Fifty-five percent (55%) to the campus for endowment or development of research or scholarship, as determined by the Chancellor.

If the inventor(s)/creator(s) share has been distributed directly to the inventor(s) or creator(s) pursuant to Section III.G.2.d, all of the remaining proceeds from equity liquidation will be distributed between the department or program and the campus in the relative proportions of this Section.

III.G.2.c. Notwithstanding the other provisions of this policy, unless the Chancellor with the approval of the President specifically determines otherwise or as required by law, employees of the University of Massachusetts Biologics Laboratory, and other employees of the University working on projects funded by and in collaboration with said Biologics Laboratory, shall not receive an

inventor(s)/creator(s) share distribution of equity licensing revenue; provided further, that all such revenue that would have gone to said inventors shall go instead to said Biologics Laboratory.

III.G.2.d. When the University accepts equity in a company as consideration for a technology licensing transaction, the University, taking into account any legal restrictions and the wishes of each inventor or creator involved, shall:

- Arrange for the inventor(s)/creator(s) to receive his or her share of equity directly from the company upon execution of the relevant agreement rather than upon liquidation pursuant to paragraph III.G.2.b. above or

- Take all equity, including the inventor(s)/creator(s) share, in the name of the University, in which case the Treasurer will make decisions regarding equity disposition based upon sound business judgment and information available to investors and will coordinate with the appropriate University officials if necessary; the inventor(s)/creator(s)' sole right being receipt of the inventor(s)/creator(s) share of such equity or its cash equivalent at such time and in such form as the Treasurer shall deem appropriate. At the determination of the Treasurer, equity may also be held on behalf of the University by the University of Massachusetts Foundation, Inc., or another outside investment advisor to minimize potential institutional conflicts of interest; provided that the interests of the inventor(s)/creator(s) provided for in this section remain in full force and effect.

III.G.2.e. In each transaction in which the University determines to hold rather than liquidate the equity it has accepted, it will ordinarily, within one year after the University's receipt of such equity in a publicly traded company, or within one year after the time when such equity in a company in which the University has accepted equity becomes eligible to be publicly traded, distribute the inventor(s)/creator(s) share of the equity or its cash proceeds as determined by the University consistent with the formula provided for in this policy.

I.D. CVIP – The University Office of Commercial Ventures and intellectual Property, which has primary responsibility for administering the development and commercialization of Intellectual Property through licensing or other arrangements. CVIP may also be referred to as the Office of Technology Management or OTM. (Doc. T96-040, as amended)

The next item was **Amendment to Amherst Capital Plan and Other Actions**. It was moved, seconded and

VOTED: To amend the University of Massachusetts Five-Year Capital Plan as contained in document T03-046 by adding the Amherst Student Housing project. The total project cost of the facility is estimated to be $85,000,000.

And further,

That the University reasonably expects to incur debt to reimburse expenditures, including expenditures made within one year from the date of this vote, temporarily advanced from internal funds or internal loans for the design and construction of student housing at the Amherst campus, the maximum principal amount of debt expected to be issued for such project, including for reimbursement purposes, being $85,000,000.

And further,

WHEREAS, the University of Massachusetts Building Authority (the Building Authority) was created by Chapter 773 of the Acts of 1960 of the Commonwealth of Massachusetts (the Commonwealth) (said Chapter 773, as amended, being hereinafter called the Enabling Act) as a body politic and corporate and a public instrumentally of the Commonwealth;

WHEREAS, the Building Authority was created by the Enabling Act for the general purposes of aiding and contributing to the performance of the educational and other purposes of the University of Massachusetts (the University) by providing dormitories, dining commons and other buildings and structures for the use of the University, its students, staff and their dependents and for lease to or use by an organization or association, in any form, of students or others the activities of which are a part of the activities at the University and subject to regulation by the Board of Trustees of the University (the Trustees), a research, foundation or other research organization the operation of which in conjunction with the University is approved by the Trustees or other entity and activities of which are approved by the Trustees as furthering the purposes of the University;

WHEREAS, the Building Authority is authorized by the Enabling Act, among other things, (a) To construct buildings or structures and to acquire, add to, alter, enlarge, reconstruct, remodel and do other work in or upon or

respecting any building or structure, in each case upon written request made by authority of the Trustees; and to provide and install furnishings, furniture, machinery, equipment, facilities, approaches, driveways, walkways, parking areas, planting and landscaping in or for or related to any such building or structure; provided that such approaches, driveways, parking areas, planting and landscaping be approved by authority of the Trustees; (b) To borrow money from time to time to achieve any one or more of its corporate purposes and to refund obligations earlier incurred for any such purpose and for refunding, and to issue and sell its revenue bonds and notes therefore, payable solely from its revenues;

WHEREAS, The Massachusetts Health and Educational Facilities Authority (HEFA) or the Massachusetts Development Finance Agency (MDFA) in the judgment of the President provides a suitable alternative to financing projects to effectuate the projects in the Capital Plan;

WHEREAS, the Treasurer is authorized to make expenditures for said Capital Plan from non-appropriated funds, which expenditures are to be reimbursed from the proceeds of financing issued through the Authority, HEFA or MDFA;

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that one or more of the aforementioned Authorities or Agencies initiate the projects described by the following:

NOW THEREFORE, BE IT RESOLVED THAT:

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of any or all of the Authorities or Agencies listed above that such Authorities or Agencies initiate:

(a) Any or all of the projects set forth in the FY2004 Five-Year Capital Plan for the University Doc. T03-046, as amended as long as the estimated total project cost does not exceed the estimated total project cost listed in Doc. T03-046, as amended by more than 20%; and

(b) Any other renovation, repair, remodeling or other work in or upon or respecting any building or structure owned or used by the University or the Building Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect

to any such building or structure, all as may be requested of any or all of the Authorities or Agencies in writing from time to time by the President or Vice President and Treasurer of the University, the making of any such request being hereby authorized.

2. The projects to be initiated by the Authorities or Agencies in accordance with the request authorized to be made in Section 1 of this resolution may in the discretion of the Authorities or Agencies be undertaken separately or together for financing purposes.

3. The President of the University and all other officers of the University be and they are and each acting singly is authorized and directed to request the Commissioner of Administration to approve in writing the undertaking by the Building Authority of the projects a request for which is hereby authorized and to do such other things and to take such other action as to the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

4. This vote is intended as the expression of the University's official intent under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph (c) or 1(b) above.

And further,

That the Board of Trustees authorizes the President or his designee to enter into on behalf of the University an agreement or series of agreements with an organization, consistent with the provisions of St. 1999, c. 127, § 260, to design, finance, build and manage a student housing project on the Amherst Campus, the schedule for which may include a multi-year phased construction schedule. The President or his designee is further authorized to execute any and all documents, including but not limited to those assigning or transferring rights and obligations, as the President deems necessary or desirable for accomplishing the project.

The President or his designee is further authorized, on behalf of the University, to request the University of Massachusetts Building Authority

or any other tax-exempt bond issuing authority to provide any assistance the President deems necessary or desirable to effectuate the project. (Doc. T03-046, as amended)

The next item was **Amendment to Medical Education Trust Fund Statement of Trust, UMASS Worcester**. It was moved, seconded and

VOTED: To amend Doc. T77-066 by striking the last sentence of the first paragraph.

The next item was **Student Housing Project, UMASS Dartmouth**. Trustee McCarthy noted the innovative change to past University policy with regards to building dormitories. He congratulated the President's office and Chancellor MacCormack for their work with this project and hopes that this process will be used as a model for the future.

It was moved, seconded and

VOTED: To amend the University of Massachusetts Five-Year Capital Plan as contained in document T03-046 by adding the Dartmouth Student Housing Project. The total project cost of the facility is estimated to be $80,000,000.00.

And further,

That the Board of Trustees authorizes the President or his designee to enter into on behalf of the University an agreement or series of agreements with one or more organizations including without limitation a ground lease to a non-profit or governmental organization, consistent with the provisions of St. 1999, c. 127, § 260, to design, finance, build and manage a student housing project on the Dartmouth Campus, the schedule for which may include a multi-year phased construction schedule. The President or his designee is further authorized to execute any and all documents, including but not limited to a master lease as lessee of the student housing project, as the President deems necessary or desirable for accomplishing the project.

The President or his designee is further authorized to request, on behalf of the University, the University of Massachusetts Building Authority or any other tax-exempt bond issuing authority to provide any assistance the President deems necessary or desirable to effectuate the project.

This vote is intended as the expression of the University's official intent under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph (c) or 1(b) above. (Doc. T03-046, as amended)

The next item on the agenda was the **Report of the Committee on Academic and Student Affairs.** Trustee White reported that the Committee had met on January 21st and heard a report on "Learning: In the Classroom and Beyond". President Wilson and several student professionals from the campuses discussed ways in which teaching and learning occurs outside of the classroom. Internships, jobs, formal student leadership positions, service learning and interacting with faculty in research were ways discussed as ways that students learn about themselves and their future.

The first action item considered by the Committee was **Appointment to Named Professorship, UMASS Amherst**. Dr. Seshu B. Desu was noted as one of the premier researchers in his field and as an outstanding teacher.

It was moved, seconded, and

VOTED: To concur with the President in the appointment of Seshu B. Desu as a Distinguished Professor at the University of Massachusetts Amherst. (Doc. T04-008)

The next item was **M.A. in Portuguese Studies, UMASS Dartmouth**. The Master of Arts program will be a capstone addition to the Dartmouth Portuguese program. The degree will be suitable for both students who terminate their academic career at the M.A. and for those who plan to pursue the Ph.D.

It was moved, seconded and

VOTED: To approve the M.A. in Portuguese Studies at the University of Massachusetts Dartmouth as contained in Doc. T04-009.

The next item was **M.S. in Civil and Environmental Engineering, UMASS Dartmouth**. The establishment of this program will provide the southeastern Massachusetts region with a well-trained pool of Civil and Engineering professionals and help the state stay competitive in a 21st century economy.

It was moved, seconded and

VOTED: To approve the M.S. in Civil and Environmental Engineering at the University of Massachusetts Dartmouth as contained in Doc. T04-010.

The next item was **M.M. in Sound Recording Technology, UMASS Lowell**. This program is designed to provide graduates with in-depth knowledge of sound recording technology, production and current and experimental technologies. The program will be the first of its kind in the United States.

It was moved, seconded and

VOTED: To approve the M.M. in Sound Recording Technology at the University of Massachusetts Lowell as contained in Doc. T04-011.

The next item was **B.A. in Community Studies, UMASS Boston**. This program was approved at the October 21, 2003 meeting of the Committee on Academic and Student Affairs. The program is designed to offer students a multi-disciplinary, applied learning approach to the student of human communities.

It was moved, seconded and

VOTED: To approve the B.A. in Community Studies at the University of Massachusetts Boston as contained in Doc. T03-060.

Under **Other Business**, Chair Fey reported that the **Department of Defense Exclusion List** includes the names of the new Trustees. It was moved, seconded and

VOTED: WHEREAS, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, the President, the Secretary, and the designated Facility Security Officer meet the personnel clearance requirements established for a contractor's facility clearance; and

WHEREAS, said Department of Defense Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Trustees and other officers, provided that this action is recorded in the minutes.

NOW, THEREFORE, BE IT DECLARED that the Chairman of the Board, the President, the Secretary and the designated Facility Security Officer at the present time do possess, or will be processed for, the required security clearance; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, the President, the Secretary or the designated Facility Security Officer, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following members of the Board of Trustees and other officers shall not have, and can be effectively excluded from access to all classified information in the possession of the corporation and do not occupy positions that would enable them to affect adversely policies or practices in the performance of classified contracts for the Department of Defense or the User Agencies of its Industrial Security Program:

NAME	**TITLE**
Dennis G. Austin	Trustee
John A. DiBiaggio	Trustee
Lawrence F. Boyle	Trustee
Jamal Brathwaite	Trustee
Christine K. Cassel	Trustee
Edward A. Dubilo	Trustee
Hannah S. Fatemi	Trustee
William E. Giblin	Trustee
James J. Karam	Trustee
William F. Kennedy	Trustee
James E. Mahoney	Trustee
Robert M. Mahoney	Trustee
Carolina B. Marcalo	Trustee
Robert McCarthy	Trustee
Diane Bissonnette Moes	Trustee
Matthew Morand	Trustee
William T. O'Shea	Trustee
Stacey Rainey	Trustee
Sean W. Reed	Trustee
Robert K. Sheridan	Trustee
Karl E. White	Trustee

The next item was **Worcester City Campus Corporation**. Deputy Chancellor Stanton reported that the Board is asked to approve the Officers of the Worcester City Campus Corporation.

It was moved, seconded and

VOTED: The University of Massachusetts Board of Trustees, convening as the sole Member of the Worcester City Campus Corporation, votes to name the following individuals to serve as Officers and Directors of the Corporation:

President: Richard Stanton
Treasurer: Stephen Lenhardt
Clerk: Thomas Manning
Directors: Thomas Chmura
Grace K. Fey
James Julian
Stephen Lenhardt
Thomas Manning
David McKenzie
Robert Sheridan
Richard Stanton
Karl E. White (Doc. T04-024)

There being no further business the meeting was adjourned at 1:20 p.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES

Wednesday, March 24, 2004; 4:00 p.m.
Press Room
Omni Parker House Hotel
60 School Street
Boston, Massachusetts

Trustees Present: Chair Fey; Trustees Austin, Boyle, Brathwaite, Dubilo, Fatemi, Karam, James Mahoney, Robert Mahoney, Marcalo, McCarthy, Moes, Morand, Rainey, Reed, Sheridan and White

Trustees Absent: Trustees Giblin and O'Shea

Conference Call: Trustees Cassel, DiBiaggio and Kennedy

University Administration: General Counsel O'Malley; Chancellor Gora

Faculty Representatives: Professor O'Connor, UMASS Amherst

Chair Fey convened the meeting at 4:15 p.m. The first item on the agenda was the **Chair's Report.** Chair Fey announced that today's special meeting has been called to receive the report of the President's Search Committee and to deliberate and vote on the selection of a president for the University of Massachusetts.

The next item was **Report of the President's Search Committee**. Trustee Moes, Co-Chair of the Search Committee related for the members of the Board the extensive process that led to today's meeting. The first step was to interview five Search firms, which led to the hiring of Korn Ferry International to assist in conducting the search. It was determined that the search process would seek input from the broadest possible cross-sections across the University and the Commonwealth encouraging nominations for the traditional and non-traditional candidates.

A search web site was established that was available through the University's system that included a form that people could fill out to provide input. The first meeting of the Search Committee was held on September 26, 2003 followed by a meeting of the Co-Chairs with Governor Romney.

During the month of October, open forums were held at the five campuses and for the leadership of UMass Memorial Healthcare, Inc. There was also a reception for Legislators held at the State House, a meeting with alumni directors, alumni association

presidents, a meeting with business community leaders and a meeting with former UMASS Board Chair, Daniel Taylor. The Co-Chairs also met with interim President Wilson and members of the President's Office Senior Staff. All of these meetings occasioned sincere, candid and thoughtful advice from the participants.

In November, the Search Committee held its second meeting and approved a statement of preferred qualifications and attributes for the next UMASS leader. Through October, November and December the Search Committee received nominations for 100 candidates and on December 10th the Search Committee held its third meeting and narrowed the field of candidates. In January and February the Search Committee interviewed several candidates.

Co-Chair Moes reported that today's report to the Board will conclude the business of the Search Committee. At the conclusion of today's meeting, the Search Committee was pleased to recommend to the Board of Trustees, the names Jack Wilson and Alan Solomont as candidates for the position of President of the University of Massachusetts.

Chair Moes added that many members of the Search Committee expressed a strong preference for Jack Wilson.

Chair Fey asks for a motion and it was

MOVED: To appoint Jack Wilson as President of the University.

Chair Fey's motion is seconded.

Trustee McCarthy then asked to submit a motion and it was

MOVED: That the Board of Trustees take no vote for the President of the University of Massachusetts until the candidates are interviewed by the Board of Trustees.

The motion is seconded. Trustee McCarthy then addresses the Board first thanking the Chair, the Committee and the Co-Chairs of the Search Committee for their diligence, dedication and time that they put in to select these candidates for this very important position that will lead this University over the next two decades. This University is made up of five campuses and is an economic engine for the Commonwealth.

Trustee McCarthy reports that his past experiences with searches and the hiring of college presidents has always included an opportunity to interview the candidates and believes it is the responsibility of the Trustees to do so. This is the most important function a Trustee can perform. While offering his support for the two candidates, he

reiterated his desire to have the Board interview the two candidates to learn their vision for the University and the Commonwealth.

Trustee James Mahoney expressed his view that the University is facing some difficult times; there has been the resignation of President Bulger and the budget cuts to the University. He commended the members of the Search Committee but expressed his disappointment with the outcome. While President Wilson has done a good job as interim president, he believes it would be in the best interest of the University to extend the search for another year.

Trustee Boyle offered his support for President Wilson but would like some information on the other candidate, Mr. Solomont, in order to make an informed decision.

Trustee Marcalo also would prefer some additional information on the candidates.

Chair Fey then asked for a vote on Trustee McCarthy's motion. Following a role call vote, the motion was defeated 8-5.

Biographical information on the two candidates is then distributed to the members of the Board. At 4:30 p.m., Trustee Rainey arrives.

Chair Fey again asks for a motion and it is

MOVED: To appoint Jack Wilson as President of the University.

The motion is seconded. Trustee Austin, co-chair of the Search Committee reports on the process of the search and the common thread from the search committee members expressing extreme satisfaction with the depth and quality of the candidate pool. After meeting with these candidates it was determined that Jack Wilson possessed outstanding credentials serving the University with skill, ingenuity and dedication and stressed his support for his candidacy.

Chair Fey reported that the Search Committee recommended that the candidate for President possess an unshakeable commitment to excellence in teaching, research and public service and possess an interest in students, faculty and staff. Chair Fey voiced her strong support for Jack Wilson and believes he is the strongest candidate for the President.

Trustee Karam also a member of the Search Committee reports on the process and the accomplished membership of the Search Committee. He also reports that information about the candidates was always available for the Board member's review and that he supports Jack Wilson's nomination.

Trustee Robert Mahoney provides some information about Alan Solomont and considers both Mr. Solomont and Mr. Wilson strong candidates but supports Jack Wilson for the position.

Trustee McCarthy reads aloud the biography of Alan Solomont and reiterated that it was his expectation that the Board would be allowed to interview the finalists.

It was then

VOTED: To appoint Jack M. Wilson as President of the University of Massachusetts effective March 24, 2004. (Doc. T04-025)

Trustee McCarthy abstained and asked to be recorded as not having enough information. Trustees Lawrence Boyle and James Mahoney also abstained from the vote.

There being no further business the meeting was adjourned at 4:40 p.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

Wednesday, May 5, 2004; 9:15 a.m.
Massachusetts Room
Mullins Center
University of Massachusetts
Amherst, Massachusetts

Trustees Present: Chair Fey; Vice Chair Giblin; Trustees Austin, Boyle, Brathwaite, DiBiaggio, Dubilo, Fatemi, Karam, Marcalo, Moes, O'Shea, Rainey, Reed, Sheridan and White

Trustees Absent: Trustees Cassel, Kennedy, McCarthy, James Mahoney, Robert Mahoney and Morand

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Julian, Chmura, Gray and Lenhardt; Ms. Harrington; Associate Vice President for Academic Affairs; Chancellors Lombardi, Gora, MacCormack, Hogan and Lazare

Faculty Representatives: Professor O'Connor and Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor Carter, UMASS Lowell; Dr. Cooke, UMASS Worcester

Chair Fey convened the meeting at 9:15 a.m.

The first item on the agenda was the **Chair's Report.** Chair Fey reported that this is President Wilson's first meeting since elected President by the Board. There is a sense of stability and the University is winning friends from the state house to the board rooms. Growing support was in evidence last week at a reception at the State House held to introduce the President to the legislators.

Today also marks the end of another era, Trustees Fatemi, Marcalo, Morand, Reed and Brathwaite have completed their terms as student Trustees. They have done an outstanding job and their perspectives have been valuable in our recent deliberations.

Chair Fey thanks each Student Trustee and presents them with a gift card for a University Chair.

Chair Fey congratulated the Boston campus and Chancellor Gora on the opening of the new Campus Center and the building itself which has already transformed life on the

Boston campus. She thanked Trustee Robert Mahoney and George Russell, the Executive Vice President for Community Affairs at State Street Corporation for co-chairing the event with her.

The next item was the **President's Report**. President Wilson expressed his appreciation to Chancellor Lombardi for his hospitality over the past two days. He then reported on the recent Conference on Undergraduate Research which included all five campuses led by the Commonwealth Honors College with more than 300 undergraduates from 28 Massachusetts public higher education institutions presenting their research projects.

President Wilson reported on the new Massachusetts High Tech Council brochure which highlights the Council's support for UMASS developing into a top tier research university. He also gave an update on the state budget – the House recently completed its initial work on the FY05 budget – all of the key line items including collective bargaining funds add up to $394.8 million which compares to $369.8 million for the current year – if the House budget becomes law, we will still be $100 million below our pre-recession mark.

President Wilson reported on the near completion of two Chancellor evaluations for Jean MacCormack at UMASS Dartmouth and Jo Ann Gora at UMASS Boston. He thanked the Review Committees: Vice President Chmura, Daniel Bogan, James Karam, Stacey Rainey, Beverly Swan and Adrian Tinsely (UMASS Dartmouth review) and Vice President Stephen Lenhardt, Karl White, William Kennedy, Kay Sloan and Gloria Larson (UMASS Boston Review).

President Wilson then gave an update on the 2004 Report on Annual Indicators, a key component of the Performance Measurement System. Each campus benchmarks itself against peer institutions that share its mission and other characteristics. This report will soon be filed with the Legislature and the Governor.

System-wide highlights of the report included: academic quality continues to rise with steadily rising SAT scores and high GPA's for entering first-time, full-time students; the financial cushion and debt service are within the range of peer systems; the research enterprise has grown to over $320 million; private fund raising and endowment assets are increasing; and student one-year retention and six year graduation rates are comparable to national averages.

President Wilson continued by noting the challenges ahead including the need to increase efforts raising non-state revenues. He then thanked those on the campuses and the President's Office that helped gather this data especially Kate Harrington, Associate Vice President for Academic Affairs.

The next item on the agenda was **Consideration of Minutes of the Previous Meetings of the Board**.

It was moved, seconded and

VOTED: To approve the minutes of the February 4, 2004 and March 24, 2004 meetings of the Board.

Chair Fey then called on Trustee Fatemi to give the **Student Trustee Report, UMASS Amherst**. Trustee Fatemi talked about the student groups on the Amherst campus and their dedicated work with volunteer activities. One particular group, Student Helping Area Reach out Efforts (SHARE) incorporates their volunteer work with their academic careers. Some of their activities include work with after school care programs, tutoring and Habitat for Humanity.

Trustee Fatemi then thanked the Trustees, Chancellor Lombardi and her fellow students for their dedication and support.

Chair Fey introduced the **Consent Agenda**. It was moved, seconded and

VOTED: To accept the following Audit Report on the Board Consent Agenda:

1. University Auditing Activity Report (Doc. T04-027)

The next item on the agenda was the **Report of the Committee on Academic and Student Affairs.** Trustee White, Chair of the Committee reported that the Committee met on April 21st. Associate Vice President Harrington had led a discussion on the undergraduate experience of students who participate in Honors Programs at UMASS Amherst, (Lisa Franks and Kristen Ierardi) Boston, (Walter Martinez) Dartmouth (Amelia Thomas) and Lowell (Rebecca Spolarich). Dean Linda Slakey of Commonwealth College was also present.

The students presented their research projects that served as their honors thesis. Dean Slakey spoke of the mix of students who participate in Commonwealth College and the opportunities available to those students. There are over 3,500 honors students across the system.

The first action item considered by the Committee was **Revisions to the Student Code of Conduct, UMASS Amherst**. The revisions clarified the definition of endangering behavior, adding facsimiles of weapons to prohibited items and changed the terms of parental notification.

It was moved, seconded, and

VOTED: To approve the revisions to the Code of Student Conduct of the University of Massachusetts Amherst as contained in Doc. T94-059, as amended.

The next item was the **Appointment to Named Professorship, UMASS Amherst**. Professor Thomas P. Russell's work was noted as path-breaking, seminal and fundamental.

It was moved, seconded and

VOTED: To concur with the President in the appointment of Thomas P. Russell as a Distinguished Professor at the University of Massachusetts Amherst. (Doc. T04-028)

Chair White thanked Associate Vice President Harrington and stated that the **Awards and Appointments of Tenure** would be taken up in Executive Session.

The next item on the agenda was the **Report of the Athletic Committee.** Trustee Moes, Chair of the Committee reported that the Committee met on March 3rd. The Committee had heard reports from the Athletic Directors and focused on the impact of budget cuts. John McCutchen was introduced as the newly hired Athletic Director on the Amherst campus.

There was also discussion about the new code of conduct for athletes on the Amherst campus. It was suggested that this policy be shared among the campuses.

The next item on the agenda was the **Report of the Development Committee.** Trustee Austin, Vice Chair of the Committee reported that the Committee met on April 20th. He first reported on the recent Gala opening of the UMASS Boston Campus Center. It was a successful event with Boston's community leadership in attendance paying tribute to the evening's honorees. He thanked Chancellor Gora and her team for a great evening that raised over $500,000.

The Amherst campus continues with its work on the fundraising front with a strong commitment in reaching its $25 million goal for this fiscal year. The Dartmouth and Lowell campuses are behind in their efforts; Lowell is ending its dependence of in-kind gifts and the Dartmouth campus is searching for a new head of Institutional Advancement.

The Worcester campus is also dependent on a specific principal gift prospect coming through before June 30 if it is to meet its year-end goal. A permanent head of Institutional Advancement, Mr. Rodney Miller has been hired.

It was noted that the Committee will work together with the Chancellors to set appropriate targets for the coming fiscal year and to engage President Wilson in the overall fundraising efforts. Chair Mahoney and the Committee will work with the development teams to pick the pace back up for FY2005.

Trustee Austin ended the report by announcing the UMASS Night at the Pops on Wednesday, June 23 continuing this successful UMASS Alumni and friend's tradition.

The next item was **Delegation of Authority**. General Counsel O'Malley reported that this action authorizes the President to take all actions necessary to appoint an Executive Director of the newly established Massachusetts Technology Transfer Center.

It was moved, seconded and

VOTED: **WHEREAS**, the Legislature has established the Massachusetts Technology Transfer Center at the University of Massachusetts;

WHEREAS, the purpose of the Center is to "facilitate the transfer of technology from the Commonwealth's research institutions to the Commonwealth's industries, for productive use by such industries;"

NOW THEREFORE,

The President is authorized to take any and all actions on behalf of the Board of Trustees that are delegated to the Board under G.L. c. 75 S 45(a), including but not limited to, the appointment of an Executive Director of the Center and the approval of appointments to the advisory committee relative to the Center.

In making an appointment to the position of Executive Director of the Center, the President is authorized and directed to do so in consultation with the Director of Business and Technology in the executive branch. (Doc. T04-033)

The next item was **Appointments to the Governance Committee**. Chair Fey has asked Trustee Moes to remain as Chair, Trustee Rainey as Vice Chair and Trustees Giblin and White as Committee members. The Committee will consider the leadership

and governance structure of the Board and report back to the Board with their findings at the August meeting.

Chair Fey then announced the Board would enter **Executive Session** to consider **Appointments with Tenure, UMASS Amherst, UMASS Boston, Awards of Tenure, UMASS Amherst and UMASS Boston, an Honorary Degree, UMASS Boston and a Personnel Discussion**. Chair Fey announced that the Board would reconvene in open session in approximately twenty minutes.

It was moved, seconded and

VOTED: To enter **Executive Session** to consider **Appointments with Tenure, UMASS Amherst, UMASS Boston, Awards of Tenure, UMASS Amherst and UMASS Boston, an Honorary Degree, UMASS Boston and a Personnel Discussion**.

Chair Fey voted for the motion as did Vice Chair Giblin, Trustees Austin, Boyle, Brathwaite, DiBiaggio, Dubilo, Karam, Marcalo, Moes, O'Shea, Rainey, Sheridan and White. The time was 9:58 a.m.

At 10:18 a.m. the Board reconvened in **Open Session**. The next item was **Terms and Conditions of Employment**. Chair Fey then made the following motion:

MOVED: In furtherance of the appointment of Jack M. Wilson as President of the University on March 24, 2004, to authorize the Chair to negotiate and agree to the terms and conditions of said appointment consistent with the provisions of the Trustee Policy on Executive Compensation (Doc. T93-062, as revised), provided that the annual salary shall not exceed $400,000. (Doc. T04-034)

The motion was seconded; Chair Fey asked if there was any discussion. Trustee Boyle voiced his opposition to the process and suggested the Board appoint a Compensation Committee to consider President Wilson's terms and conditions of employment. Trustee Boyle indicated that he had not seen former President William Bulger's contract and objected to one person having the power to determine the terms.

Chair Fey indicated that the formation of a Compensation Committee would require By-Law revisions. She requested that the Governance Committee review the feasibility of establishing such a Committee. At this time, however, Chair Fey intends to contact each Trustee regarding the terms and conditions of President Wilson's contract before such agreement is finalized.

The motion was then:

VOTED: In furtherance of the appointment of Jack M. Wilson as President of the University on March 24, 2004, to authorize the Chair to negotiate and agree to the terms and conditions of said appointment consistent with the provisions of the Trustee Policy on Executive Compensation (Doc. T93-062, as revised), provided that the annual salary shall not exceed $400,000. (Doc. T04-034)

Trustee Boyle voted against the motion.

The next item was the **Report of the Committee on Administration, Finance and Audit**. Trustee Dubilo, Chair of the Committee reported that the Committee had met on April 29th and heard an in depth presentation from Vice President Lenhardt related to the overall operating and capital financial condition of the University. The report included information on trend and peer comparisons. It was noted that the University is in good shape and needs to continue its efforts with the Capital and Physical plant area and private fund raising activity.

The Committee approved **Amendments to the University's Capital Plan** which will help improve the facilities on each of the five campuses. It was moved, seconded and

VOTED: To amend the University of Massachusetts Five-Year Capital Plan as contained in Document T03-046 by adding the following new projects:

Renovation and repairs to Health Center at the Amherst campus. The total project cost of the project is estimated to be $5,500,000.

Renovation and equipping of Locker Rooms, Beacon Fitness Center and Clark Athletic Center at the Boston campus. The total project cost of the project is estimated to be $500,000.

Renovation, equipping and construction of an addition to the Violette Research Building at the Dartmouth campus. The total project cost for the project is estimated to be $11,000,000.

Medical Office Building project at the Worcester campus. The total project cost of the facility is estimated to be $20,000,000.

And further to amend the University of Massachusetts Five-Year Capital Plan as contained in document T03-046 by increasing the total project cost of the Parking Garage project at the Lowell campus from $9,000,000 to $13,000,000. (Doc. T03-046, Addendum 1)

The next item was **Amendments to Amherst Campus Capital Plan** which will finance the construction of student housing on the Amherst campus.

It was moved, seconded and

VOTED: To further amend the University of Massachusetts Five-Year Capital Plan as contained in document T03-046 by increasing the total project cost of the Amherst Student Housing project from an estimated $85,000,000 to $105,000,000.

And further,

That the University reasonably expects to incur debt to reimburse expenditures, including expenditures made within one year from the date of this vote, temporarily advanced from internal funds or internal loans for the design and construction of student housing at the Amherst campus, the maximum principal amount of debt expected to be issued for such project, including for reimbursement purposes, being $105,000,000.

And further,

WHEREAS, the University of Massachusetts Building Authority (the Building Authority) was created by Chapter 773 of the Acts of 1960 of the Commonwealth of Massachusetts (the Commonwealth) (said Chapter 773, as amended, being hereinafter called the Enabling Act) as a body politic and corporate and a public instrumentally of the Commonwealth;

WHEREAS, the Building Authority was created by the Enabling Act for the general purposes of aiding and contributing to the performance of the educational and other purposes of the University of Massachusetts (the University) by providing dormitories, dining commons and other buildings and structures for the use of the University, its students, staff and their dependents and for lease to or use by an organization or association, in any form, of students or others the activities of which are a part of the activities at the University and subject to regulation by the Board of Trustees of the University (the Trustees), a research, foundation or other

research organization the operation of which in conjunction with the University is approved by the Trustees or other entity and activities of which are approved by the Trustees as furthering the purposes of the University;

WHEREAS, the Building Authority is authorized by the Enabling Act, among other things, (a) To construct buildings or structures and to acquire, add to, alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure, in each case upon written request made by authority of the Trustees; and to provide and install furnishings, furniture, machinery, equipment, facilities, approaches, driveways, walkways, parking areas, planting and landscaping in or for or related to any such building or structure; provided that such approaches, driveways, parking areas, planting and landscaping be approved by authority of the Trustees; (b) To borrow money from time to time to achieve any one or more of its corporate purposes and to refund obligations earlier incurred for any such purpose and for refunding, and to issue and sell its revenue bonds and notes therefore, payable solely from its revenues;

WHEREAS, The Massachusetts Health and Educational Facilities Authority (HEFA) or the Massachusetts Development Finance Agency (MDFA) in the judgment of the President provides a suitable alternative to financing projects to effectuate the projects in the Capital Plan;

WHEREAS, the Treasurer is authorized to make expenditures for said Capital Plan from non-appropriated funds, which expenditures are to be reimbursed from the proceeds of financing issued through the Authority, HEFA or MDFA;

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that one or more of the aforementioned Authorities or Agencies initiate the projects described by the following:

NOW THEREFORE, BE IT RESOLVED THAT,

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of any or all of the Authorities or Agencies listed above that such Authorities or Agencies initiate:

(a) Any or all of the projects set forth in the FY2004 Five-Year Capital Plan for the University Doc. T03-046, as amended as long as the estimated total project cost does not exceed the estimated total project cost listed in Doc. T03-046, as amended by more than 20%; and

(b) Any other construction of or respecting or renovation, repair, remodeling or other work in or upon or respecting any building or structure owned or used or to be owned or used by the University or the Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of the Authority in writing from time to time by the President of the University, the Executive Vice President of the University or the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, the making of any such request being hereby authorized.

2. The projects to be initiated by the Authorities or Agencies in accordance with the request authorized to be made in Section 1 of this resolution may in the discretion of the Authorities or Agencies be undertaken separately or together for financing purposes.

3. The President of the University and all other officers of the University be and they are and each acting singly is authorized and directed to request the Commissioner of Administration to approve in writing the undertaking by the Building Authority of the projects a request for which is hereby authorized and to do such other things and to take such other action as to the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

4. This vote is intended as the expression of the University's official intent under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States

Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph (c) or 1(b) above.

And further,

The Board of Trustees authorizes the President and the Amherst Campus to enter a ground lease with the University of Massachusetts Foundation or other appropriate 501(c)(3) organization for the purpose of engaging a private firm to design, finance, build and manage a student housing project if the President and the Amherst campus deem said approach necessary or desirable. (Doc. T03-046, as amended)

The next item was **Authorization for the Use of University Property, UMASS Dartmouth**. This action will allow the Dartmouth campus to use property for a State Marine Fisheries Institute.

It was moved, seconded and

VOTED: That the Board of Trustees approves and authorizes the use of University property by the Department of Marine Fisheries (DMF) for the construction, operation and maintenance of a building for the Department of Marine Fisheries and the Marine Fisheries Institute (MFI). Said property is located at the School of Marine Science and Technology (SMAST) site in New Bedford. The building will be paid for and used by DMF. No University funds will be provided for the construction or operation of the facility. If the facility ceases to be used by DMF for the stated purposes the facility shall revert in its entirety to UMD with exclusive right to reassign its use. (Doc. T04-041)

The next item was **Authorization to Purchase Property, UMASS Amherst**. This action would allow the Amherst campus to purchase five fraternity houses adjacent to the campus.

It was moved, seconded and

VOTED: To authorize the Amherst campus to purchase five fraternity houses adjacent to the campus at a cost to be negotiated by the Commonwealth of Massachusetts Division of Capital Asset Management and approved by the President of the University or his designee. (Doc. T04-045)

Trustee Dubilo then excused himself from the meeting due to a potential conflict of interest.

Trustee Karam, Vice Chair of the Committee on Administration, Finance and Audit introduced the next item for action, **Authorization to Transfer Endowment Funds to the UMASS Foundation**.

It was moved, seconded and

VOTED: **WHEREAS**, The University of Massachusetts Foundation has been established to assist the University of Massachusetts in private fund raising and the management of endowment funds and

WHEREAS, The University of Massachusetts and the Foundation will enter into an agreement to assure that University funds are separately accounted for and held as agency funds

NOW, THEREFORE, BE IT RESOLVED THAT,

The University of Massachusetts Trustees authorizes the transfer of endowment funds of the University of Massachusetts to the University of Massachusetts Foundation and that an appropriate agreement for such purposes shall be executed between the parties. (Doc. T04-043)

The next item **Approval of Capital Projects** authorizes the UMASS Building Authority to initiate projects in the University's Capital Plan.

It was moved, seconded and

VOTED: **WHEREAS,** The University of Massachusetts Building Authority (the "Authority") is authorized by Chapter 773 of the Acts of 1960, as amended (the "Enabling Act"), among other things, to provide dormitories, dining commons and other buildings and structures for the use of the University of Massachusetts (the "University"), its students, staff and their dependents and certain organizations related to the University, to alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure, to provide and install furnishings, furniture, machinery, equipment and facilities in or for or related to any such building or structure and to initiate projects for such purposes upon written request made by authority of the Board of Trustees

(the "Trustees") of the University and upon written approval from the Commissioner of Administration; and

WHEREAS, In the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that the Authority initiate the projects described below;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, are hereby authorized in the name and on behalf of the Trustees to make a written request of the Authority that the Authority initiate the following projects:

   (a) (i) the renovation and equipping of and the construction and equipping of an addition to the Violette Research Building at the Dartmouth campus of the University to provide facilities for a botulinum research center and other purposes deemed appropriate by the University and (ii) the renovation and equipping of the men's and women's locker rooms in the Beacon Fitness Center and the Clark Athletic Center at the Boston campus of the University; and (iii) the renovation and equipping of the Health Center at the Amherst campus of the University; and

   (b) any other construction of or respecting or renovation, repair, remodeling or other work in or upon or respecting any building or structure owned or used or to be owned or used by the University or the Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of the Authority in writing from time to time by the President of the University, the Executive Vice President of the University or the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, the making of any such request being hereby authorized.

2. The Authority is hereby requested to provide additional financing for the construction of the parking garage at the Lowell campus of the University originally financed by the Authority's Project Revenue Bonds, Senior Series 2003-1, and the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, are hereby authorized to make a written request of the Authority that the Authority issue its bonds to provide such additional financing in an amount (including the costs of issuance of such bonds and capitalized interest, if any) not to exceed the amount set forth in such request (and such additional financing shall not exceed the amount set forth in such request).

3. Any of the projects to be initiated by the Authority in accordance with any request authorized to be made in Section 1 of this resolution may in the discretion of the Authority be undertaken separately or together for financing purposes, and the additional financing authorized in Section 2 of this resolution may in the discretion of the Authority be provided separately or together with the provision of financing for any one or more such projects or any one or more projects a written request for the initiation of which by the Authority has been authorized by the Trustees other than by this resolution (or by any combination of any of the projects referred to above in this sentence).

4. The President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized to request the Commissioner of Administration from time to time to approve in writing the undertaking by the Authority of any of the projects a request for which is authorized in Section 1 of this resolution and to do such other things and to take such other action as the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

5. The authorization in this resolution of a written request of the Authority that the Authority initiate the project described in clause (a)(ii) of Section 1 of this resolution is not intended to limit the generality of the written request authorized in Section 1(a) of the

vote adopted by the Trustees on February 4, 2004 identified as "ACTION ITEM #b, 5: Amendment to Amherst Capital Plan and Other Actions" and as "DOC. & VOTE I.D. #: T03-046, as amended."

6. This resolution is intended as the expression of the University's official intent under Section 1.150-2(d)(1) and (e) of the regulations promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act for financing and refinancing the cost of any or all of the projects described in Section 1 or Section 2 of this resolution. (Doc. T04-036)

The next item was **Authorization for the Refunding of Existing Debt**. It was moved, seconded and

RESOLVED: That the issuance by the University of Massachusetts Building Authority (the "Authority") of bonds (in one or more series) or notes (in one or more series) for the purpose of refunding any or all of the outstanding indebtedness of the Authority, including indebtedness of the University of Lowell Building Authority and indebtedness of the Southeastern Massachusetts University Building Authority, is hereby approved, and the President of the University of Massachusetts (the "University"), the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized in the name and on behalf of the Trustees of the University (the "Trustees") to approve in writing the issuance by the Authority of bonds (in one or more series) for such purpose or notes (in one or more series) for such purpose.

That the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized to do all

other things and to take all such other action as the officer or officers so acting shall, as conclusively evidenced by the taking of the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized, including without limitation the execution, sealing and delivery of contracts (which are hereby authorized) on behalf of the Commonwealth or the Trustees (including without limitation contracts entered into by the Commonwealth, acting by and through the Trustees, with the Authority (to which the Trustees may but need not be a party) for state financial assistance in the form of a guaranty by the Commonwealth of bonds (in one or more series) or notes (in one or more series) of the Authority, all as provided in and subject to the Enabling Act), the execution of any such contract by the signer thereof on behalf of the Commonwealth and the Trustees conclusively to evidence that such contract is authorized by this Resolution.

That in addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, the Vice President for Management and Fiscal Affairs and Treasurer of the University and each other officer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-037)

The next item was to **Approve a Service and Management Contract Between the University and the University of Massachusetts Building Authority**. It was moved, seconded and

RESOLVED: That the making of a Contract for Management and Services 2004 Projects among The Commonwealth of Massachusetts (the "Commonwealth"), acting by and through the Board of Trustees (the "Trustees") of the University of Massachusetts (the "University"), the Trustees and University of Massachusetts Building Authority (the "Authority") pursuant to Chapter 773 of the Acts of 1960, as amended (the "Enabling Act"), and pertaining to the undertaking by the Authority of projects for which requests have been authorized by the Trustees, be and the same hereby is authorized; that the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, be and hereby are authorized, in the name and on behalf of the Commonwealth and the Trustees, to sign, seal with common seal of the University and of the Trustees, acknowledge if deemed advisable and deliver a Contract for Management and Services 2004 Projects substantially in the form presented to this meeting, subject to such changes, insertions and omissions (including changes in the title of such Contract to reflect any change in the projects to which such Contract pertains) as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; that the form of such Contract for Management and Services 2004 Projects presented to this meeting and each term, condition and provision therein contained be and the same hereby are approved, subject to such changes, insertions and omissions as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; and that the execution of such Contract for Management and Services 2004 Projects by the signer of such Contract on behalf of the Commonwealth and the Trustees shall be conclusive evidence (a) of the approval by such signer of any such changes, insertions or omissions and the authorization of the same and (b) that the form of Contract for Management and Services 2004 Projects so executed (with approved changes, insertions and omissions, if any) is as hereby authorized and approved.

That each of the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, and the Vice President for Management and Fiscal Affairs and Treasurer of the University, acting alone, and each other officer of the University, acting alone, are hereby authorized to do such other things and to take such other actions as the officer or officers so acting shall, as conclusively evidenced by their doing any of the things or taking any of the actions hereby authorized, deem necessary or desirable to be done or taken to carry out the Contract for Management and Services 2004 Projects authorized above and to carry out any project (or the financing thereof) a request to initiate which has been made to the Authority by the authority of the Trustees, including without limitation the execution, sealing and delivery of contracts (which are hereby authorized) on behalf of the Commonwealth or the Trustees (including without limitation contracts entered into by the Commonwealth, acting by and through the Trustees, with the Authority (to which the Trustees may but need not be a party) for state financial assistance in the form of a guaranty by the Commonwealth of bonds (in one or more series) or notes (in one or more series) of the Authority, all as provided in and subject to the Enabling Act), the execution of any such contract by the signer thereof on behalf of the Commonwealth and the Trustees conclusively to evidence that such contract is authorized by this Resolution.

That in addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, the Vice President for Management and Fiscal Affairs and Treasurer of the University and each other officer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such

officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-038)

The next item was **Approval of a Contract Between the University and the University of Massachusetts Building Authority and Approval to Use the State Guarantee**. It was moved, seconded and

RESOLVED: That the making of a Contract for Financial Assistance, Management and Services 2004-A Projects among The Commonwealth of Massachusetts (the "Commonwealth"), acting by and through the Board of Trustees (the "Trustees") of the University of Massachusetts (the "University"), the Trustees and University of Massachusetts Building Authority (the "Authority") pursuant to Chapter 773 of the Acts of 1960, as amended, and pertaining to the undertaking by the Authority of projects for which requests have been authorized by the Trustees, be and the same hereby is authorized; that the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, be and hereby are authorized, in the name and on behalf of the Commonwealth and the Trustees, to sign, seal with common seal of the University and of the Trustees, acknowledge if deemed advisable and deliver a Contract for Financial Assistance, Management and Services 2004-A Projects substantially in the form presented to this meeting, subject to such changes, insertions and omissions (including changes in the title of or other changes in such Contract to reflect any change in the projects to which such Contract pertains, the issuance of bonds not guaranteed by the Commonwealth or the issuance of refunding bonds) as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; that the form of such Contract for Financial Assistance, Management and Services 2004-A Projects presented to this meeting and each term, condition and provision therein contained be and the same hereby are approved, subject to such changes, insertions and omissions as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; and that the execution of such Contract for Financial Assistance, Management and Services 2004-A Projects by the signer of such Contract on behalf of the Commonwealth and the Trustees shall be conclusive evidence (a) of the approval by such signer of any such changes, insertions or

omissions and the authorization of the same and (b) that the form of Contract for Financial Assistance, Management and Services 2004-A Projects so executed (with approved changes, insertions and omissions, if any) is as hereby authorized and approved.

That the Chair and Vice Chair of the Trustees, each acting alone, be and hereby are authorized, in the name and on behalf of the Commonwealth, to sign by manual or facsimile signature the form of guaranty provided in the Contract for Financial Assistance, Management and Services 2004-A Projects authorized above on each bond having the benefit of such guaranty as provided in such Contract; in case any officer of the Trustees whose signature or facsimile signature shall appear on any such bond shall cease to be such officer before the delivery thereof, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery.

That each of the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, and the Vice President for Management and Fiscal Affairs and Treasurer of the University, acting alone, and each other officer of the University, acting alone, are hereby authorized to do such other things and to take such other actions as the officer or officers so acting shall, as conclusively evidenced by their doing any of the things or taking any of the actions hereby authorized, deem necessary or desirable to be done or taken to carry out the Contract for Financial Assistance, Management and Services 2004-A Projects authorized above and to carry out any project (or the financing thereof) a request to initiate which has been made to the Authority by the authority of the Trustees, including without limitation the execution, sealing and delivery of contracts (which are hereby authorized) on behalf of the Commonwealth or the Trustees (including without limitation contracts entered into by the Commonwealth, acting by and through the Trustees, with the Authority (to which the Trustees may but need not be a party) for state financial assistance in the form of a guaranty by the Commonwealth of bonds (in one or more series) or notes (in one or more series) of the Authority, all as provided in and subject to the Enabling Act), the execution of any such contract by the signer thereof on behalf of the Commonwealth and the Trustees

conclusively to evidence that such contract is authorized by this Resolution.

That in addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-039)

The next item was the **Authorization of a Lease for Land Between the University of Massachusetts Building Authority and the University of Massachusetts**. It was moved, seconded and

VOTED: **WHEREAS**, The University of Massachusetts Building Authority (the "Authority"), created by Chapter 773 of the Acts of 1960 (as amended, the "Enabling Act"), is authorized by the Enabling Act, among other things, to lease from The Commonwealth of Massachusetts (the "Commonwealth") such lands of the Commonwealth, or rights therein, as may be necessary for carrying out the provisions of the Enabling Act;

WHEREAS, The Enabling Act authorizes the Trustees (the "Trustees") of the University of Massachusetts (the "University"), acting in the name and on behalf of the Commonwealth, among other things, to lease to the Authority land owned by the Commonwealth or grant easements, licenses or any other rights or privileges therein to the Authority;

NOW, THEREFORE, BE IT RESOLVED THAT, PURSUANT TO THE ENABLING ACT,

1. The Authority pursuant to one or more leases (each a "Lease") land owned by the Commonwealth on which will be located each project, if any, to be owned by the Authority and financed in whole or in part by the Authority's Project and Refunding Revenue Bonds, Senior Series 2004-1 or the Authority's Facilities and Refunding Revenue Bonds, Senior Series 2004-A (provided, that if either such series or bonds is not issued for the purpose of refunding, the words "and Refunding" will not be included in the name of such series) and an amendment (each an "Amendment") to any lease previously entered into between the Commonwealth, acting by and through the Trustees, as lessee, and any of the Authority, the University of Lowell Building Authority (or its predecessor, the Lowell Technological Institute Building Authority) or the Southeastern Massachusetts University Building Authority, as lessor.

2. Each Lease and each lease as amended by an Amendment (each such lease as so amended being an "Amended Lease") shall be for a rent of $1.00 per year, shall be for a term not less than the latest maturity of the bonds of the Authority that financed or refinanced the one or more projects located on the land to which such Lease or Amended Lease pertains and shall have provisions for automatic renewals if the lessor is not then in default thereunder until the ownership of such project The Trustees are authorized, in the name and on behalf of the Commonwealth, to lease to or projects reverts to the Commonwealth as provided in the Enabling Act; provided, that each Lease and Amended Lease may provide that it will terminate whenever the ownership of the project or projects located on the land to which such Lease or Amended Lease pertains shall revert to the Commonwealth as provided in the Enabling Act. Each Lease, each Amendment and each Amended Lease shall comply with the provisions of the Enabling Act and, subject to such requirement and the foregoing provisions of this Section, shall have such other terms as are approved by the signer of such Lease or such Amendment on behalf of the Trustees and the signer of such Lease or such Amendment on behalf of the Authority, the execution of such Lease or Amendment by the signer on behalf of the Trustees conclusively to evidence the approval by such signer of the terms of such Lease or such Amendment and the related Amended Lease and conclusively to identify such Lease or such Amendment as a Lease or an Amendment authorized by this Resolution, and the execution of such Lease or Amendment by the signer on behalf of the Authority

conclusively to evidence the approval by the Authority of the terms of such Lease or such Amendment and the related Amended Lease.

3. The Chair of the Trustee, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, are hereby authorized, in the name and on behalf of the Commonwealth and the Trustees, to sign, seal with the common seal of the University and the Trustees, acknowledge if deemed advisable and deliver each Lease and each Amendment and, if deemed advisable, record any Lease, Amendment or Amended Lease or a notice of any thereof.

4. Each of the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, acting alone, and each other officer of the University, acting alone, are hereby authorized to do such other things and to take such other actions as the officer or officers so acting shall, as conclusively evidenced by their doing any of the things or taking any of the actions hereby authorized, deem necessary or desirable to be done or taken to carry out each Lease, Amendment and Amended Lease.

5. In addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, the Vice President for Management and Fiscal Affairs and Treasurer of the University and each other officer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-046)

Chair Fey then recognized Trustee Reed who thanked the Trustees for serving as mentors over the past year.

Chancellor Lazare acknowledged Trustee Reed's work developing a Faculty Appreciation Fund collecting over $7000 to be used to reward and recognize the faculty.

There being no further business to come before the Board, the meeting was adjourned at 10:34 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

Wednesday, August 4, 2004; 9:15 a.m.
Worcester Room
Hoagland Pincus Conference Center
222 Maple Avenue
Shrewsbury, Massachusetts

Trustees Present: Chair Fey; Vice Chair Giblin; Trustees Austin, Boyle, DiBiaggio, Dubilo, Karam, Kennedy, King, Labrecque, James Mahoney, Robert Mahoney, McCarthy, Moes, Moseley, O'Shea, Pham, Rainey, Sheridan and White

Trustees Absent: Trustees Cassel and Murphy

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Julian, Chmura, and Gray; Ms. Harrington; Associate Vice President for Academic Affairs; Mr. O'Riordan, University Budget Director; Mr. Cofield, Executive Vice President, UMASS Foundation; Chancellors Lombardi, Motley, MacCormack, Hogan and Lazare

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor Carter, UMASS Lowell, Dr. Cooke, UMASS Worcester

Chair Fey convened the meeting at 9:30 a.m.

The next item on the agenda was **Consideration of Minutes of the Previous Meeting of the Board**.

It was moved, seconded and

VOTED: To approve the minutes of the May 5, 2004 meeting of the Board.

The first item on the agenda was the **Chair's Report.** Chair Fey welcomed the new Student Trustees to their first meeting: Matthew Murphy, UMASS Amherst (not in attendance), Tuan Pham, UMASS Boston; Matthew Moseley, UMASS Dartmouth, Michael LaBrecque, UMASS Lowell and Jeffrey King, UMASS Worcester. The student members of the Board bring us energy and passion and connect us to the student body.

Chair Fey then expressed her gratitude to the Board for supporting her as Chair of the Board over the last four years. It has been an honor and a privilege to lead the Trustees and has been a rewarding and enjoyable experience. We have weathered recent controversies, confronted the challenges; we've coped with harrowing budget cuts with the support of the President and his staff, the Chancellors and their staff, with the dedication of our faculty and the flexibility of our students. The University has turned the corner with a substantial increase in our budget that will allow the campuses to restore, rebuild and rebound. We are working hard to generate new sources of revenue.

The University went through a painful period with the culmination of the departure of a leader who gave his heart and soul to the University and brought UMASS much success. We recently honored President Bulger with a dinner that generated a million dollars for student scholarships. With Jack Wilson, the Presidency has passed into the hands of a talented, energetic and dedicated new leader who is off to a very strong start.

The University continues to move forward. Our research funding has continued to grow; we have proven successful commercializing intellectual property and found tremendous growth through UMASS OnLine.

Chair Fey reported her intent to continue to serve the University as a Trustee and looks forward to serving with a new Chairman, someone that will bring passion, experience and dedication to this position. The new Chairman will provide wise leadership and keep UMASS on a steady course.

As a graduate of a public University, (University of Maryland) Chair Fey stressed the importance of her education; her experience on this Board working with talented, dedicated colleagues, students, faculty, staff and administrators will always hold a special place in her heart.

The members of the Board and the audience give Chair Fey a standing ovation.

Chair Fey introduced Trustee King to give the **Student Trustee Report, UMASS Worcester**. Trustee King welcomed everyone and offered his appreciation for the opportunity to speak.

Trustee King reported on the faculty appreciation fund, an initiative strongly supported by former Trustee Sean Reed. Because there was little opportunity for interaction between faculty members and students, a program was developed that allowed a time where the students and faculty members come together to discuss personal issues. The Faculty Appreciation Day was established; faculty members received a mug and a note of thanks.

Faculty members appreciated the gesture and it was decided that funds would be raised to enhance the program. There were raffles, bake sales, a student/faculty golf tournament; eight thousand dollars was raised and the program is a success. In the future, the program plans to continue the Faculty Appreciation Day as well as find ways to pair students and faculty members together attending conferences, and participating in research activities.

Trustee King reported on his plan to aid the fundraising efforts towards this program and would seek assistance from the other members of the Board.

The next item was remarks from Natalie Crawford Smith, representative from SEIU, Local 888 expressing her concern over the lack of salary increases for the 400 classified employees on the Boston campus. The average salary for a classified employee is $30,000; these employees work hard behind the scenes ensuring the Boston campus runs smoothly.

Ms. Crawford Smith stressed the low morale on the Boston campus amongst the classified staff and asked that the Board members intervene on their behalf.

Trustee McCarthy thanked Ms. Crawford Smith for her comments and stated that he is doing everything he can to rectify the situation... The signing of the contract lies with the Governor and emphasized that this issue is a top priority. We are working with the AFL-CIO, the Legislature and the members of House Ways and Means to get this done and we ask that you continue to work with your union president.

The next item was the **President's Report**. President Wilson offered his support for Ms. Crawford Smith and the classified employees. President Wilson thanked Chancellor Lazare and his staff for their hospitality. He then thanked Chair Fey for her work as chairperson, member of the Board and leader of the community. Chair Fey's impact on the University will have long-lasting results. President Wilson also thanked Ted Fey for his support during a period of extreme difficulty. He stated his confidence in the new leadership team which will help guide the University to new achievements.

President Wilson then welcomed newly-appointed UMASS Boston interim Chancellor Keith Motley to his first full Board meeting. Dr. Motley played a leadership role in last week's successful Democratic National Convention concert at the Boston campus. The Pops Concert generated new funding for scholarships on the campus.

President Wilson also welcomed the new student Trustees to their first full Board meeting and reported on the following:

The House and Senate enacted legislation authorizing the sale of 110 acres of UMASS land on Nantucket (the site of the UMASS Field Station) to the Nantucket Conservation Foundation. The sale will generate $20 million in endowed funds and the Field Station which houses important environmental teaching and research, will continue on the property. President Wilson thanked Senators Therese Murray, Robert O'Leary, Representative Eric Turkington, Grace Grossman (who passed away last week) and Executive Vice President James Julian for their work with this initiative.

Reporting on budget matters, President Wilson indicated that the base UMASS appropriation has increased from $327 million last year to $392 million this year. Appropriations for Commonwealth College, the College of Visual and Performing Arts and the Advanced Technology Manufacturing Center have been funded. We also have a commitment from the Governor's office for $36 million in capital funding for FY2005.

President Wilson also reported on campus efforts to replace faculty lost since 2001, the success of the 4th Annual UMASS Alumni Evening at the Boston Pops, the efforts to develop a science and technology investment center and the awarding of 10 grants to help accelerate the commercialization of technology developed in UMASS laboratories.

President Wilson concluded his remarks by announcing the hiring of Dr. Abigail Barrow to lead the new UMASS Technology Transfer Center, the Chancellor's Search at UMASS Boston which will begin in September and the scheduled reviews of Chancellors Hogan and Lazare.

Chair Fey introduced the **Consent Agenda**. It was moved, seconded and

VOTED: To accept the following Audit Reports on the Board Consent Agenda:

1. PricewaterhouseCoopers Annual Audit Plan (Doc. T04-056)
2. University Audit Report (Doc. T04-056)

The next item on the agenda was the **Report of the Committee on Academic and Student Affairs.** Trustee White, Chair of the Committee reported that the Committee met on July 20. Associate Vice President Harrington had led a discussion on the tenure process for soliciting peer reviews and the importance of such reviews to the tenure decision process. The discussion included the role of teaching, advising and mentoring in the evaluation process and the importance of maintaining high standards for the awarding of tenure.

The first action item considered by the Committee was **Student Government Constitution, UMASS Lowell.** Revisions to the Constitution changed student representation to a college rather than class basis, refined processes for activities and judicial matters, and created representation opportunities for resident and commuter students and athletes.

It was moved, seconded, and

VOTED: To approve, with amendments, the Lowell Student Government Constitution as contained in Doc. T04-007.

Article IV: The Representation of the SGA
Section 2., B.
To establish and suspend such special and standing committees as it sees fit, with the ultimate power and responsibility resting in the SGA.

Article XII: Removal from Office
Section 2., B.
By striking from the third sentence the word "refute" and replacing it with "respond to". By adding a sentence at the end of the section: The burden of proof will lie with the accuser.

Article XIII: Faculty Advisors
Section 1
The SGA shall have as a primary advisor the Dean of Student Life or his or her designee ~~by said Dean with SGA approval~~.

Article XX: Implementation of this Constitution
To strike from the third sentence: This Constitution shall not be considered in permanent effect until approved by the Board of Trustees ~~or its designee~~.

The next item was **Appointment to Named Professorship, UMASS Worcester**. This item concerned the appointment of Peter Newberger as the first incumbent of the Ali and John Pierce Chair in Pediatric Hematology Oncology. Dr. Newberger was the physician who treated Ali Pierce and is a distinguished researcher within the Cancer Center at the Lazare Research Building.

It was moved, seconded and

VOTED: To concur with the President in the appointment of Peter Newberger as the first incumbent of the Ali and John Pierce Chair in Pediatric Hematology Oncology at the University of Massachusetts Worcester. (Doc. T04-055)

The next item was **Revisions to the Graduate Medical Education Personnel Policy of the University of Massachusetts Medical School**. These revisions reflect changes required by the Accreditation Council on Graduate Medical Education.

It was moved, seconded and

VOTED: To approve the revisions to the Graduate Medical Education Personnel Policy of the University of Massachusetts Medical School as contained in Doc. T00-024, as amended.

The next item was **Master of Architecture, UMASS Amherst**. Trustee White reported that there is no professional architecture program at any public institution in the Northeast. This program would serve a unique market. After a detailed evaluation of the existing and planned programs, the National Architecture Accrediting Board visiting team stated in January 2002 that the UMASS proposal had the potential to create a new model for architecture education.

It was moved, seconded and

VOTED: To approve the Master of Architecture at the University of Massachusetts Amherst as contained in Doc. T04-062.

Chair White stated that the Committee's recommendations with regard to Tenure will be taken up in Executive Session.

The next item on the agenda was the **Report of the Committee on Administration, Finance and Audit.** Trustee Dubilo, Chair of the Committee reported that the Committee met on July 22 and engaged in an extensive discussion and approval of the University's capital plan. Each campus Vice Chancellor presented a comprehensive review of their recent and near term capital activity.

The Committee also reviewed the University's preliminary operating budget for FY05 showing a 9% increase in revenues from FY04-FY05 representing strong state dollar support and impressive campus revenue activity. A student financial aid report indicated that the University has increased aid in FY04 by some $33 million over FY03.

The Committee approved the creation and renaming of a number of revenue accounts and heard from our external auditors, PricewaterhouseCoopers regarding the FY04 audit.

The first item was **FY2005-FY2009 University Capital Plan**.

It was moved, seconded and

VOTED: To approve the University of Massachusetts FY2005 to FY2009 Five Year Capital Plan as contained in Doc. T04-058.

The next item was **FY2005 Allocation of State Funds**.

It was moved, seconded and

VOTED: To direct the President to develop an allocation plan for the amount appropriated for the University in Line Item 7100-0200 of the state appropriation act for Fiscal Year 2005, and to notify the Board of Trustees and the House and Senate Committees on Ways and Means of said plan. (Doc. T04-059)

The next item was the **Establishment of the Ali and John Pierce Chair in Pediatric Hematology Oncology, UMASS Worcester**.

It was moved, seconded and

VOTED: In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws, to establish an endowed chair in pediatric hematology oncology at the University of Massachusetts Worcester to be known as the Ali and John Pierce Chair in Pediatric Hematology Oncology. (Doc. T04-055)

The next item was **Authorization of a Non-Resident Tuition Retention Program and the Establishment of the Non-Resident Tuition Retention Trust Fund, UMASS Amherst**.

It was moved, seconded and

VOTED: To authorize, in accordance with the provisions of section 242 of Chapter 149 of the Acts of 2004, a pilot program for out of state tuition retention allowing the Amherst campus to retain, in fiscal years 2004 and 2005, all tuition paid by students who are not residents of Massachusetts. Provided that no resident of Massachusetts is denied admission to the Amherst campus as a result of the tuition retention pilot project. The President shall issue guidelines and the Chancellor of the Amherst campus shall develop operating procedures for the administration of the program including the funding of fringe benefits for those employees who are paid from tuition retained funds. The President shall develop a report on the progress of this initiative no later than January 15, 2005 to include the number of out of state students attending the school, the amount of tuition revenue retained under the program, and any programs or initiatives funded with the retained revenue.

And further,

To establish, in accordance with the provisions of Chapter 75 of the General Laws and section 242 of Chapter 149 of the Acts of 2004, the Non-Resident Tuition Retention Trust Fund for the Amherst campus. All tuition revenues received from non-resident students at the Amherst campus shall be deposited into this fund. Expenses (both direct and indirect) for the support of campus activities and programs shall be paid from this fund. (Doc. T04-060)

The next item was **Establishment of the Marine Operations Reserve Trust Fund, UMASS Boston.**

It was moved, seconded and

VOTED: To establish, in accordance with the provisions of Chapter 75 of the General Laws, the Marine Operations Revenue Based Trust Fund for the Boston campus. Revenues generated from marine activities will be deposited into this fund. Expenses (both direct and indirect) will be paid from this fund. Fees and charges for various marine services may be established by the Chancellor, and will be reported to the President annually. (Doc. T04-061)

The next item was **Amendments to Statement of Trust, President's Office**.

It was moved, seconded and

VOTED: To amend the statement of trust established by Trustee Vote T00-017 by renaming the fund the University Collaborative Services Center Revenue Based Trust Fund for the President's Office; and further to amend the statement of trust by striking everything after the words "General Laws" and inserting thereafter the following:

"The University Collaborative Services Center Revenue Based Trust Fund for the President's Office. Expenditures from the Fund shall be used for the costs of operations, management and other activities of the Center and related support provided by the President's Office." (Doc. T00-017, as amended)

Trustee Mahoney, Chair of the Development Committee then gave the **Development Committee Report**. The Committee met on July 22, 2004 and heard reports on this year's fund raising activities. The current state of the economy, the controversial transition year for the University as well as changes in the campus development offices led to the inability to reach our goals with Amherst being the only campus of the five to meet its original goal for the year.

In total, $71 million was raised for FY04; $63 million of this represented cash and pledges and grants. The goal for FY05 is $82 million; with the new President and Chancellors we have made a commitment to advance the fundraising operations. It is important to establish with our legislators the matching gift program for the University which is one of the most effective fundraising tools in our system.

Mr. Cofield has been asked to put together a program with President Wilson that will help devise a strategy to sell to our legislative leaders. We need to progress on the fundraising front towards a $100 million plus annual program.

President Wilson commented that he is optimistic about next year's matching gift program foreseeing a possible match of the $20 million from the sale of the land on Nantucket.

President Wilson then asked the Board to approve Dr. J. Keith Motley as the **Interim Chancellor at the University of Massachusetts Boston.**

It was moved, seconded and

VOTED: Upon the recommendation of the President, to appoint Dr. J. Keith Motley as Chancellor (Interim) of the University of Massachusetts Boston effective August 1, 2004, who shall serve at the pleasure of the President, with such salary and other terms and conditions as shall be determined by the President, in consultation with the Chair. (Doc. T04-063)

Followed by a round of applause, Chair Fey congratulated Dr. Motley.

The next item was **Department of Defense**. It was moved, seconded and

VOTED: WHEREAS, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, the President, the Secretary, and the designated Facility Security Officer meet the personnel clearance requirements established for a contractor's facility clearance; and

WHEREAS, said Department of Defense Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Trustees and other officers, provided that this action is recorded in the minutes.

NOW, THEREFORE, BE IT DECLARED that the Chairman of the Board, the President, the Secretary and the designated Facility Security Officer at the present time do possess, or will be processed for, the required security clearance; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, the President, the Secretary or the designated Facility Security Officer, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following members of the Board of Trustees and other officers shall not have, and can be effectively excluded from access to all classified information in the possession of the corporation and do not occupy positions that would enable them to affect adversely policies or practices in the performance of classified contracts for the Department of Defense or the User Agencies of its Industrial Security Program:

NAME	**TITLE**
Dennis G. Austin	Trustee
Lawrence F. Boyle	Trustee
Christine K. Cassel	Trustee
John A. DiBiaggio	Trustee
Edward A. Dubilo	Trustee
Grace K. Fey	Trustee
William E. Giblin	Trustee
James J. Karam	Trustee
William F. Kennedy	Trustee
Jeffrey King	Trustee
Michael E. Labrecque	Trustee
James E. Mahoney	Trustee
Robert M. Mahoney	Trustee
Robert McCarthy	Trustee
Diane Bissonnette Moes	Trustee
Matthew J. Moseley	Trustee
Matthew V. Murphy	Trustee
William T. O'Shea	Trustee
Tuan Pham	Trustee
Stacey Rainey	Trustee
Robert K. Sheridan	Trustee
Karl E. White	Trustee

The next item was **Naming of the Nantucket Field Station**. Chair Fey reported that Grace Grossman, who recently passed away, was a remarkable woman who helped accomplish the sale of the UMASS land on Nantucket. President Wilson reiterated his support for the naming of the Field Station for Ms. Grossman.

It was moved, seconded and

VOTED: To name the Nantucket Field Station the Grace Grossman Environmental Center and to acknowledge to the Grossman family with heartfelt praise the contribution of Grace Grossman to the University of Massachusetts. (Doc. T04-065)

The next item was the **Report of the Governance Committee**. Trustee Moes reported that the Committee had met on four different occasions and considered next year's slate of officers as well as some changes to Trustee Governance.

The Governance Committee is recommending the addition of two standing Committees to the Board: an Audit Committee and a Compensation Committee.

The first action was **Amendments to the By-Laws**. It was moved and seconded.

Trustee McCarthy was recognized and thanked the members of the Governance Committee for their diligence. Trustee McCarthy voiced his concerns about the Audit Committee's responsibility to approve the hiring of external auditors. These concerns are based on the regulations inspired by the Sarbanes-Oxley Act and the University needs to be aware of the hiring practices.

General Counsel O'Malley stated that the Committee did review all of the provisions of the Sarbanes-Oxley Act and that ultimately the Audit Committee's recommendations will still need to be approved by the full Board.

VOTED: To approve the following amendments to the By-Laws of the Board of Trustees of the University of Massachusetts:

Article III, COMMITTEES OF THE BOARD, is hereby amended as follows:

Section 1. Standing Committees

By striking the entire section and replacing it with the following: "There shall be seven standing committees of the Board of Trustees: The Executive Committee, the Compensation Committee, the Committee on Academic and Student Affairs, the Committee on Administration and Finance, the Audit Committee, the Development Committee and the Athletic Committee."

Section 5. Responsibilities of Standing Committees

Section 5(b)

By striking the current (b) and replacing it with (c).

By inserting a new section 5(b):
"The *Compensation Committee* shall consider and recommend to the Board on all matters pertaining to the compensation of the President of the University consistent with the Executive Compensation Policy."

Section 5(c)

By striking the current (c) and replacing it with (d).

By striking the words "and Audit" in the first sentence.

By striking subsections x, xi, and the entire sentence after subsection xi.

By striking the current xii and replacing it with x.

Section 5(d)

By replacing the current (d) and replacing it with (f).

By inserting a new section 5(e):
"The *Audit Committee* shall have the responsibility of considering, reviewing and making recommendations to the full Board on all matters relative to auditing including but not limited to:

i. initiation of audits;
ii. audits of the University, its components and affiliates;
iii. review and approval of the selection of external audit firms and the deployment of auditors pursuant to the Audit Protocols;
iv. solicitation and receipt of advice from individuals who, in the sole judgment of the committee, shall qualify as "financial experts," as defined by Section 407 of the Sarbanes Oxley Act of 2002, and regulations promulgated by the Securities and Exchange Commission under that section.

Section 5(e)

By replacing the current (e) and replacing it with (g). (Doc. T91-100, as amended)

The next item was **Revisions to the Executive Compensation Package**. Trustee Moes reported that the amendments to the Executive Compensation include the addition of the duties of the newly-established Compensation Committee.

It was moved, seconded and

VOTED: To approve the following amendment to Doc. T93-062, as amended, University of Massachusetts Executive Compensation Package for University President and Campus Chancellors:

By striking the three paragraphs under the heading "salary" and replacing them with the following:

The Board of Trustees shall establish the term and conditions, including salary, of the contract with the President. In making such determination, the Board shall give due consideration to any recommendation from the Compensation Committee. This paragraph shall apply to any renegotiation or renewal of the President's contract.

The President, in consultation with the individual members of the Compensation Committee, shall establish the terms and conditions, including salary, of the contract with each Chancellor. This paragraph shall apply to any renegotiation of renewal of the contract with each Chancellor.

The terms and conditions established under these provisions shall not be inconsistent with the terms of this policy or with those terms and conditions generally established for similar positions in comparable institutions of higher learning.

The Chair of the Board in consultation with the Chair of the Compensation Committee and the members of the Board shall conduct a review of the President on an annual basis. (Doc. T93-062, as amended)

Trustee Moes also reported that there had been feed back from Trustees about changing the Committee meeting schedule and the attendance for Committee/Board meetings. Currently there is legislation pending that would authorize participation via the telephone. The schedule of the meetings should be discussed with the Chairs of each Committee.

The next item was **2004-2005 Officers and Committee Leadership**. Trustee Moes reported that the Governance Committee spent a lot of time talking to Trustees about the leadership roles on the Committees and the Board. The University is extremely fortunate to have such active and committed members on the Board and is recommending the slate of officers listed in Doc. T04-064.

It was then moved, seconded and

VOTED: To confirm and approve the Officers and Committee Chairs of the Board of Trustees set forth in Doc. T04-064, all to serve until the next annual meeting of the Board. (Doc. T04-064)

Chair Fey then thanked Trustee Moes and the Governance Committee for the amount of time and effort that went into this process.

President Wilson stated that he looks forward to working with the new Board leadership. The President's Office will be ready to work with newly elected Chair Karam and looks forward to continuing our work with Trustee Fey.

Chair Fey then passed the gavel to newly elected Chair Karam to a round of applause.

Chair Karam stated his delight with the vote of confidence expressed by the Board and his plans to serve as Chair with a distinguished and dedicated group that gives so much time and energy to this institution. He is looking forward to working with everyone to achieve our goals and is aware of those that served before that have set very high standards.

No one has set a better example of leadership with her passion, courage and grace than Grace Fey. Grace's trademark will be how she steadied the ship during the departure of President Bulger, severe budget cuts and the hiring of the current President.

Chair Karam thanked Trustee Fey for her leadership and thanked the Chairs and Vice Chairs of the Committees for the countless hours and energy they put into their position. Chair Karam has asked Vice Chair Karl White to expand his position in a number of roles as well as serving as Chair of the Audit Committee. He also pointed out the contributions of Trustee Mahoney who will again lead the difficult role as Chair of the Development Committee and thanked him for his continued leadership role and the generosity he and his family have for this University.

Chair Karam ended his remarks by stating that he looks forward to working together with President Wilson, the Chancellors and the University family and providing the highest level of quality throughout the system while striving to maintain affordability and accessibility on every level.

Trustee McCarthy had a question about the Chancellor's Search at UMASS Boston. What will be the time frame for the search and will Chancellor Motley be allowed to be a candidate for the permanent position. President Wilson responded that a search committee for the position is currently being formed and will begin work in the fall and should finish its work in mid-spring. There was no condition made about the interim appointment and added that it is an open national search.

Chair Fey then announced the Board would enter **Executive Session** to consider **Appointments with Tenure, UMASS Dartmouth, UMASS Worcester, Awards of Tenure, UMASS Amherst, UMASS Lowell and UMASS Worcester, and Transfer of Tenure, UMASS Amherst and UMASS Lowell**. Chair Fey announced that the Board would not reconvene in open session.

It was moved, seconded and

VOTED: To enter **Executive Session** to consider **Appointments with Tenure, UMASS Dartmouth, UMASS Worcester, Awards of Tenure, UMASS Amherst, UMASS Lowell and UMASS Worcester, and Transfer of Tenure, UMASS Amherst and UMASS Lowell**

Chair Fey voted for the motion as did Vice Chair Giblin, Trustees Austin, Boyle, DiBiaggio, Dubilo, Karam, Kennedy, King, Labrecque, James Mahoney, Robert Mahoney, McCarthy, Moes, O'Shea, Rainey, Sheridan and White. The time was 10:40 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

Wednesday, November 10, 2004; 9:15 a.m.
Ballroom, Campus Center
University of Massachusetts
100 Morrissey Boulevard
Boston, Massachusetts

Trustees Present: Chair Karam; Vice Chair White; Trustees Armstrong, Austin, Boyle, DiBiaggio, Dubilo, Kennedy, King, LaBrecque, Mahoney, McCarthy, Moseley, Murphy, O'Shea, Pearl, Pham, Rainey and Sheridan

Trustees Absent: Trustees Cassel, Erving and Fey

University Administration: President Wilson; General Counsel O'Malley; Chancellors Lombardi, Motley, MacCormack, Hogan and Lazare; Vice Presidents Julian, Chmura, Gray and Lenhardt; Associate Vice President Harrington

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor UMASS Lowell, Dr. Cooke, UMASS Worcester

Chair Karam convened the meeting at 9:15 a.m.

The first item on the agenda was **Consideration of Minutes of the Previous Meeting of the Board**.

It was moved, seconded and

VOTED: To approve the minutes of the August 4, 2004 meeting of the Board.

The next item on the agenda was the **Chair's Report.** Chair Karam thanked Chancellor Motley for his hospitality that has been shown to the Board and commented on the newest jewel of the University, the UMASS Boston Campus Center.

Chair Karam then introduced the newest members of the Board: Dr. John Armstrong, former Vice President of Science Technology at IBM, a participant with the engineering college at UMASS Amherst and a recent recipient of the UMASS President's Medal. Dr. Janet Pearl is the co-director of the Pain Management Center at St. Elizabeth's Medical Hospital; Julius Erving could not be here today due to a prior commitment.

Chair Karam thanked the three colleagues who recently left the Board: Diane Bissonnette Moes, James Mahoney and William Giblin. Each played an important role in the University's growth and will be honored in a formal manner in the near future.

Chair Karam thanked President Wilson and Chancellor MacCormack for the comprehensive presentation concerning the proposed merger of the Southern New England School of Law with the University at yesterday's meeting of the Committee of the Whole. They did a good job answering questions posed by the Board, the Legislature and the Governor's office. We expect the process to move forward in a timely fashion.

Chair Karam then introduced Trustee Pham to give the **Student Trustee Report, UMASS Boston**. Trustee Pham reported on the successes of the Boston campus through hard work, community engagement and leadership. Recently UMASS Boston was awarded a $12.5 million grant to reform education for Boston public school students. Through the Center for Collaborative Leadership, former Chancellor Sherry Penney is training and developing future Boston leaders.

Our students are some of the best and brightest, winning Fulbright Scholarships while working full and part-time jobs and taking care of their families. Through the challenges of budget cuts and tuition increases and personnel changes, Chancellor Motley, Provost Fonteyn, Vice Chancellor O'Connor and their teams have provided strong and stable leadership.

Trustee Pham continued his report by noting the challenges that are before us: the infrastructure on the Boston campus. Basic maintenance and upgrades cannot be made because of budget constraints. Every day we defer these repairs we risk the safety and security of our students including students with disabilities. He asked the support of the Trustees, President Wilson and the Boston campus officials to get the funding we need to make the basic repairs and make students feel safe and secure.

Trustee Pham is also working on international student services. They are important members of this community. There are several areas where we could provide better services and this issue will continue to be addressed.

Chair Karam thanked Trustee Pham and indicated the capital needs of this campus and the other campuses are in the forefront of the Board's thoughts.

The next item was the **President's Report**. President Wilson reported on the recent efforts to improve the infrastructure problems on the Boston campus. The head of DCAM, Commissioner David Perini with Chancellor Motley walked through the parking garage where he saw the importance of the problems. There is an awareness of the infrastructure problems on all of the campuses and we are developing a plan to deal with these issues.

President Wilson welcomed the newest members of the Board and expressed his appreciation to all the members of the Board for the time and energy they put into this University.

The University has been able to stabilize student charges; the Board has set the goal to keep our student charge increases under the rate of inflation and have communicated that to the Legislature; with stable state funding we will be able to achieve that goal. The proposed lease of new office space will include a University Club – this will begin a new way of doing business, a new bolder approach to connecting with our alumni and friends.

Each of our campuses is engaged in ventures to increase non-state revenue. There has been a lot of progress made in our fundraising efforts; our endowment has grown, the number of endowed chairs has risen. Joseph Cofield played a big part in these efforts. He has announced he is leaving the Foundation to take on some new challenges; President Wilson recognized his contributions and thanked him for his work.

President Wilson commended Chancellor MacCormack and her staff for their work on the law school proposal and her work presenting the information to the Board. There has been a lot of positive feed back on the subject including the social and educational benefits that this merger would deliver. Dialogue will continue with the Board in the coming weeks about this proposal.

On November 1st the UMASS Boston Chancellor Search Committee held its first meeting. The Committee consists of outstanding members chaired by Trustee Stacey Rainey. The Search is expected to meet throughout the year; we hope to have someone in place no later than the Fall of next year.

President Wilson reported on the success of the Red Sox and the challenges the celebrations have brought to the campuses. The Chancellors working with student leaders and public safety officers were pro active in the preparations of the celebrations. There were no serious injuries and property damage was held at a minimum. The disturbances were clearly fueled by alcohol; each of our campuses has very strong alcohol policies which helped deal with these issues. The student newspapers were also pro-active with the issues and clear about the need for students to celebrate appropriately.

The Boston campus in partnership with the Boston Public Schools, announced with Senator Kennedy, a twelve and half million dollar grant from the National Science Foundation. On October 1st, the Dartmouth campus opened its College of Business building. The Boston campus recently hosted former First Lady Rosalynn Carter at which time the Partnership Award was presented to recognize the collaboration between Clark University and the Non-Profit Community Development Corporation.

The Lowell campus along with Northeastern University and the University of New Hampshire won a $12.6 million grant for the National Science Foundation to establish a Center

for Nanomanufacturing. The Amherst campus recently welcomed back Bill Cosby who helped raise a million and a half dollars for scholarships. In addition, the School of Nursing received a $957,000 grant from the Department of Health and Human Services to help minorities and disadvantaged students in this field.

The Medical School has continued to grow in licensing agreements sponsoring a research agreement related to cancer detection technology. Chancellor Lazare has recently been in the news due to his well received book on the subject of apologies.

General Counsel O'Malley then provided an update on a recent case involving a former employee of the Medical Center. In 1999, the Board voted to terminate an employee from the Medical School for unsatisfactory performance. This action generated multiple law suits. The case went to trial and the judge directed a verdict for the University. The Massachusetts Appeals Court reversed that ruling and sent it back to trial. We then petitioned the Supreme Judicial Court who agreed to review the case and the court issued an opinion in September vindicating the University's actions.

The next item on the agenda was the **Report of the Committee on Academic and Student Affairs.** Trustee Austin, Chair of the Committee reported that the Committee met on October 19th. There had been the President's Public Service Awards presentation. There had also been reports on the Preliminary Enrollment figures for Fall, 2004, the 2003-2004 Periodic Multi-Year Review Cycle and the 2003-2004 Academic Quality Assessment and Development cycle.

There had been a discussion on the proposed merger of the Southern New England Law School with UMASS Dartmouth. Chancellor MacCormack presented information related to the academic quality of the law school and the steps necessary to receive ABA accreditation.

The first action item concerned the **Appointment of James F. Kurose as a Distinguished Professor, UMASS Amherst.** Dr. Kurose was praised for his work as a researcher, teacher and former recipient of the President's Public Service Award.

It was moved, seconded, and

VOTED: To concur with the President in the appointment of James F. Kurose as a Distinguished Professor at the University of Massachusetts Amherst. (Doc. T04-068)

Chair Austin stated that the **Awards and Appointments of Tenure** would be taken up in Executive Session.

The next item was the **Report of the Committee on Administration and Finance**. Trustee Dubilo, Chair of the Committee reported that the Committee had met on October 21st. President

Wilson and Vice President Lenhardt gave brief reports on current financial activities in the University. The Committee heard extensive reports from the University's Controller and Budget Director related to the FY04 audited financial results and the budget for FY05.

There was also a lengthy discussion regarding the law school initiative.

The first item was approval of the **FY2004 University Financial Report**. It was moved, seconded and

VOTED: To approve the FY2004 University Financial Report, as contained in Doc. T04-076.

The next item was **Fiscal Year 2005 University Operating Budget**. It was moved, seconded and

VOTED: To approve the FY2005 University Operating Budget, as contained in Doc. T04-077.

The next item was **Fiscal Year 2006 State Budget Request Authorization**. It was moved, seconded and

VOTED: To authorize the President to prepare and submit the Fiscal Year 2006 State Appropriation request. (Doc. T04-078)

The next item was **Designation of Surplus Land, UMASS Lowell**. It was moved, seconded and

VOTED: Notwithstanding paragraph three of the section titled "Disposition of Real Property" of Trustee Policy T93-122, as amended, the Board of Trustees herby declares the land, with all building thereon for the parcels commonly known as Building #12, the Hub Hosiery Building and Building #14, the McQuade Building, of the Lawrence Mills properties in the city of Lowell surplus.

The land, with all buildings thereon, commonly known as the McQuade Building (or Building #14), the Hub Hosiery Building (or Building #12), and the Agent's House (or Administration Building) and located on the northly side of Perkins Street in Lowell, Middlesex County, Massachusetts, being shown as Parcels 4 and 6 on a plan entitled "Approval not Required ("ANR") plan, Lawrence Mills Redevelopment, Lowell, Massachusetts" prepared by Harry R. Feldman, Inc., Land Surveyors, Boston, MA dated August 14, 2003.

In addition, the parking surface site located to the southwest of Parcels 4 and 6 on said plan and bounded by Perkins St. to the north, Cabot St. to the west, Suffolk St to the east and Hall St to the south is declared surplus.

Provided further, that the parking surface surplus shall be contingent upon the continued parking access for the University until such time as a new parking structure is complete.

The exact boundaries of the parcel shall be determined by the commissioner of the division of capital asset management in consultation with the Lowell campus and the University. (Doc. T04-079)

The next item was **Designation of Surplus Land, UMASS Lowell**. It was moved, seconded and

VOTED: Pursuant to the requirements of chapter 344 of the Acts of 2004 and notwithstanding paragraph three of the section titled "Disposition of Real Property" of Trustee Policy T93-122, as amended, the Board of Trustees herby declares the parcel of property located at 600 Suffolk Street in the city of Lowell surplus. Said parcel of property is more fully described in section 2 of said chapter 344 as follows:

The land, with all buildings thereon, commonly known as 600 Suffolk Street and located on the northerly side of Suffolk Street in Lowell, Middlesex County, Massachusetts, being shown as Phase I as shown on a "Compiled Plan of Land In Lowell, Mass. For Wannalancit office and Technology Center Realty Trust", Scale 1"=20', dated March 25, 1983, by Robert M. Gill Associates, Inc., Civil Engineers & Surveyors, Lowell, Mass. (the "Plan"), which Plan is recorded with the Middlesex North District Registry of Deeds at Plan Book 140, Plan 1, containing 43,369 square feet of land, more or less; and Lot C on Plan entitled "Compiled Plan of Land In Lowell, Mass.", dated September 13, 1982, Scale 111=40', prepared by Robert M. Gill & Associates, Inc., Lowell, Massachusetts, which Plan is recorded with the Middlesex north district registry of deeds at Plan Book 137, Plan 121, containing 90,487 square feet of land, more or less.

The exact boundaries of the parcel shall be determined by the commissioner of the Division of Capital Asset Management in consultation with the Lowell campus and the University. (Doc. T04-080)

The next item was **Establishment of the Development Assistance Trust Fund, UMASS Lowell.** It was moved, seconded and

VOTED: To establish, in accordance with the provisions of Chapter 75 of the General Laws, and pursuant to Chapter 344 of the Acts of 2004, the Development Assistance Trust Fund for the Lowell campus. The purposes of the trust fund shall include, but not be limited to, the promotion of a sound and stable economy and a highly trained workforce, the encouragement of interdisciplinary research and partnerships with community and industry, the support and improvement of the health of individuals and communities, and the spurring of the job creation necessary for the maintenance and growth of the technology and manufacturing sectors of the Massachusetts economy. All revenues and expenditures relative to the development, operation, repair, and maintenance of the St. Joseph's hospital property, as determined in said chapter 344, shall be deposited in and expended from the trust fund.

The Chancellor shall produce a report annually on the activities supported by the trust fund and shall submit copies of the report to the president, the office of the inspector general, the chairmen of the house and senate committees on ways and means, and the chairmen of the joint committee on state administration. (Doc. T04-081)

The next item was **Lease of Space, University of Massachusetts Building Authority**. It was moved, seconded and

VOTED: **BE IT RESOLVED**:

WHEREAS, University of Massachusetts Building Authority (the "Authority") is authorized by Chapter 773 of the Acts of 1960, as amended, among other things, (a) to provide dormitories, dining commons and other buildings and structures for the use of the University of Massachusetts (the "University"), its students, staff and their dependents and certain organizations related to the University, (b) upon written request made by authority of the Board of Trustees (the "Trustees") of the University, to acquire, add to, alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure and (c) to provide and install furnishings, furniture, machinery, equipment and facilities in or for or related to any such building or structure; and

WHEREAS, the Authority is further authorized by said Chapter 773 to acquire real and personal property by lease, purchase or otherwise; and

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that the Authority carry out the undertakings described below;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of the Authority that the Authority undertake the following:

   (a) Through lease, purchase or otherwise, to obtain premises in the City of Boston suitable for the offices of the President and the Board of Trustees of the University, and for such ancillary and auxiliary purposes, including offices for the University of Massachusetts Foundation, Inc. and facilities for meetings and dining, as the President may determine and to lease or sublease, as applicable, to the University and the University of Massachusetts Foundation, Inc. the portion of such premises to be used by the respective entity; and

   (b) To alter, reconstruct, remodel and do other work in or upon or respecting such premises and to provide and install furnishings, furniture, machinery, equipment and facilities in or for such premises, all to make such premises suitable for their intended purposes.

2. The President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, be and they are and each acting singly is authorized and directed to do such other things and to take such other action as the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the undertakings of the Authority hereby authorized. (Doc. T04-074)

The next item was **Renovation of Space for Use by the University, the University of Massachusetts Foundation Inc. and the University of Massachusetts Building Authority**.

It was moved, seconded and

VOTED: BE IT RESOLVED:

WHEREAS, University of Massachusetts Building Authority (the "Authority") is authorized by Chapter 773 of the Acts of 1960, as amended, among other things, to provide dormitories, dining commons and other buildings and structures for the use of the University of Massachusetts (the "University"), its students, staff and their dependents and certain organizations related to the University, to alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure, to provide and install furnishings, furniture, machinery, equipment and facilities in or for or related to any such building or structure and to initiate projects for such purposes upon written request made by authority of the Board of Trustees (the "Trustees") of the University; and

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that the Authority initiate the projects described below;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of the Authority that the Authority initiate the following projects:

   (a) to alter, reconstruct, remodel and do other work in or upon or respecting premises obtained by the Authority through lease, purchase or otherwise in the City of Boston for use as the offices of the President and the Board of Trustees of the University, and for such ancillary and auxiliary purposes, including offices for the University of Massachusetts Foundation, Inc. and facilities for meetings and dining, as the President may determine, and to provide and install furnishings, such premises suitable for their intended purposes; and

   (b) in addition to or in lieu of said project, any other construction of or renovation, repair, remodeling or other work in or upon or respecting any building or structure owned, leased or used by the University or the Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of the Authority in writing from time to time by the President of the University, by the Vice President for Management and Fiscal Affairs and Treasurer of the University, or the Executive Vice President of the University, the making of such request being hereby authorized.

2. The President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University be and they are and each acting singly is authorized and directed to do such other things and to take such other action as the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the undertaking by the Authority of the projects hereby authorized

3. This vote is intended as the expression of the University's "official intent" under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under said Chapter 773 or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph 1(a) or paragraph 1(b) above. (Doc. T04-085).

The next item was **Public Higher Education Endowment Incentive Program Implementation Policy**. It was moved, seconded and

VOTED: The Board of Trustees hereby delegates to the President the authority to develop guidelines and procedures for the implementation of the Public Higher Education Endowment Incentive program established under section 15E of Chapter 15A of the General Laws, as amended by Chapter 352 of the Acts of 2004, for the University of Massachusetts including its five campuses.

Subject to annual state appropriation the Commonwealth's contributions shall match private contributions equal to $1 for every $2 privately contributed to the Board of Trustees or the University of Massachusetts Foundation, Inc. and added to the University's endowment.

Private contributions to the endowment for purposes of this program shall be limited to donations to an endowment for academic purposes including, but not limited to, scholarships, endowed chairs and contributions in support of academic facility construction and maintenance approved by the Board of Trustees.

The program shall be administered by the Foundation in accordance with procedures established by the President and filed with the House and Senate Committees on Ways and Means by no later than December 15, 2004.

Such procedures shall include a method to certify to the house and senate committees on ways and means the actual amount received in private contributions to the endowment in each fiscal year. Such procedures shall also include safeguards for protecting the anonymity of donors who indicate their desire not to be identified. (Doc. T04-083)

The next item was **Fiscal Year 2005 Treasurer's Report**. It was moved, seconded

VOTED: To approve the FY2004 Treasurer's Report, as contained in Doc. T04-084.

The next item was **Authorization for Intercampus Loan**. It was moved, seconded

VOTED: To authorize the President of the University to approve a loan from the Worcester campus, in the amount of $3,000,000, to the President's Office University Information Technology Services division for the purposes of financing the Intercampus Student Information System (ISIS) Project of the Boston, Dartmouth and Lowell campuses. Said loan shall be repaid by the Boston, Dartmouth and Lowell campuses on such terms, with the interest rate to be established by the

University Treasurer on January 1, 2005 and shall be documented by fully executed line of credit agreements.

To authorize the President to do such other things and to take such other action as he deems necessary or desirable to carry into effect the matters herein authorized. (Doc. T04-082)

Trustee Mahoney, Chair of the Development Committee then gave the **Development Committee Report**. He first added his thanks to Joseph Cofield for the great job he has done through some trying times. There was then a round of applause.

He then welcomed the new Trustees to the Board and announced that it is time for the President's Annual Fund appeal.

The Committee had met on November 9th and discussed the **Status of Fundraising Goals for 2004-2005.** The goal for the year had been $75 million, up from $63 million in FY04. Each of the campuses are optimistic about achieving their goals. Due to the President's and Executive Vice President's efforts, we were able to get a matching state fund this year, $9 million on a .50 on the dollar match. We must raise $18 million to take advantage of the $9 million.

We will soon be reviewing lists of prospects for this current year that will be able to make some major contributions and will be calling on the Trustees for a breakfast meeting to review some of these names.

Chair Karam reiterated that we will be calling on the Board members to become active participants asking Trustees to identify prospective donors and possibility arrange for an introduction. Every Trustee is a fundraiser. President Wilson noted that we have $20 million from the Nantucket Conservation Foundation and will have to raise money to make that match.

Chair Karam then thanked Trustee Rainey for agreeing to Chair the Chancellor's Search Committee and the Trustee members that have agreed to serve on this search.

Trustee Rainey, Chair of the Chancellor's Search Committee, UMASS Boston gave a brief update. Over the last several weeks Trustee Rainey has had conversations with members of faculty and students on the Boston campus and has been impressed with the energy and commitment that exists to bring the campus to the next level.

The Search Firm, A.T. Kearney has been hired. A series of meetings on the campus have been scheduled to gather input from faculty, staff, students and alumni involved in the campus community. We are on track to have the process completed by April, have a list of candidates for the President to consider, and a recommendation to the Board at the May meeting. If the Trustees have any suggestions for candidates they should contact Trustee Rainey.

Trustee Rainey thanked Vice President Chmura and Susan Kelly for assisting in the search process and indicated there would be an update on the search at the February Board meeting.

The Search Committee vote was moved and seconded.

Trustee McCarthy was recognized and requested that a member of Labor be added to the Committee; this has been the practice of past searches. Chair Karam and President Wilson agreed to make this addition. It was then

VOTED: To concur with the Chair of the Board in the naming of the Search Committee at the University of Massachusetts at Boston:

UMASS Boston Search Members:
Stacey R. Rainey, Chair
Kristine Alster
Mark Atkins
Dennis Austin
Lawrence Boyle
Robert Chen
Patricia Flaherty
Terrence Gomes
Robert Johnson
Thomas Keady
Michael Keating
William Kennedy
Winston Langley
Regina McCarthy
Denise Patmon
Tuan Pham
Robert Sheridan
Mary Stevenson
Manickam Sugumaran

(Doc. T04-086)

The next item was a routine action adding the newest members of the Board to the **Department of Defense Exclusion List**.

It was moved, seconded and

VOTED: WHEREAS, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, the President, the Secretary, and the designated Facility Security Officer meet the personnel clearance requirements established for a contractor's facility clearance; and

WHEREAS, said Department of Defense Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Trustees and other officers, provided that this action is recorded in the minutes.

NOW, THEREFORE, BE IT DECLARED that the Chairman of the Board, the President, the Secretary and the designated Facility Security Officer at the present time do possess, or will be processed for, the required security clearance; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, the President, the Secretary or the designated Facility Security Officer, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following members of the Board of Trustees and other officers shall not have, and can be effectively excluded from access to all classified information in the possession of the corporation and do not occupy positions that would enable them to affect adversely policies or practices in the performance of classified contracts for the Department of Defense or the User Agencies of its Industrial Security Program:

NAME	TITLE
John A. Armstrong	Trustee
Dennis G. Austin	Trustee
Lawrence F. Boyle	Trustee
Christine K. Cassel	Trustee
John A. DiBiaggio	Trustee
Edward A. Dubilo	Trustee
Julius Erving	Trustee
Grace K. Fey	Trustee
James J. Karam	Trustee
William F. Kennedy	Trustee
Jeffrey King	Trustee
Michael E. Labrecque	Trustee
Robert M. Mahoney	Trustee
Robert McCarthy	Trustee

Matthew J. Moseley	Trustee
Matthew V. Murphy	Trustee
William T. O'Shea	Trustee
Janet D. Pearl	Trustee
Tuan Pham	Trustee
Stacey R. Rainey	Trustee
Robert K. Sheridan	Trustee
Karl E. White	Trustee

Chair Karam then announced the Board would enter **Executive Session** to consider certain **Appointments and Awards with Tenure**, **Honorary Degrees** and **Certain Real Estate and Collective Bargaining Matters**. The Board will not reconvene in Open Session. The Secretary will call the Roll; Trustees are requested to state yes or no.

It was moved, seconded and

VOTED: To enter Executive Session to consider certain appointments and awards with tenure, honorary degrees and certain real estate and collective bargaining matters.

Chair Karam voted for the motion as did Vice Chair White, Trustees Armstrong, Austin, Boyle, DiBiaggio, Dubilo, Kennedy, King, LaBrecque, Mahoney, McCarthy, O'Shea, Pearl, Rainey and Sheridan. The time was 10:05 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES

Tuesday, December 21, 2004; 10:00 a.m.
Board Room – 26th Floor
One Beacon Street
Boston, Massachusetts

Trustees Present: Chair Karam; Vice Chair White; Trustees Armstrong, Austin, Boyle, Dubilo, Fey, Kennedy, King, LaBrecque, Mahoney, McCarthy, Moseley, Murphy, Pham, Rainey and Sheridan

Trustees Present Via Conference Call: Trustees Cassel, DiBiaggio and O'Shea

Trustees Absent: Trustees Erving and Pearl

University Administration: President Wilson; General Counsel O'Malley; Chancellors Lombardi, Motley, MacCormack, Hogan and Lazare; Vice Presidents Julian, Chmura, Gray, Lenhardt and Harrington

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor Schwartz, UMASS Boston

Chair Karam convened the meeting at 10:05 a.m.

The first item on the agenda was the **Chair's Report**. Chair Karam welcomed everyone and provided some background information that led to today's meeting. The Board will consider the establishment of the first public law school in the Commonwealth and the donation of the assets from the Southern New England School of Law **(SNESL)**. The Law School already has a first rate facility and well stocked library.

The process that has led to today's proposal has been prudent and comprehensive. President Wilson and Chancellor MacCormack have been involved with the due diligence and have kept the Board members informed of the process through Committee meetings, including a two hour meeting of the Committee of the Whole. There have been multiple meetings with members of the Legislature and the Governor's staff and the members of the Board of Higher Education.

Chair Karam commended the staff at the Law School for their help with the process. They have opened their records, answered every question, confident that their record of improvement would stand the test of criticism aimed at the proposed merger. The Trustees were also commended for their involvement in this process.

The next item was the **President's Report**. President Wilson reported that the proposal has been through a thorough and careful process. This is an important step for the University and the right step for the Commonwealth. Additional, significant reviews with external reviewers will provide an opportunity for public comment

While there has been opposition from several sources, the proposal has attracted numerous expressions of support from the legal, business and academic community. Numerous newspapers and commentators have offered support such as The Boston Globe, The New Bedford Standard Times, The Providence Journal, members of Congress, several Mayors as well as other lawmakers, the Legal Aid community, state college and community presidents, members of the judiciary and former Governor William Weld.

President Wilson reported that this morning we received a letter of support from Senate Ways and Means Chair, Therese Murray. The proposal will provide opportunities for UMASS faculty members with legal expertise to teach possibly through UMASSOnLine. A financial plan will allow us to move this law school forward without using state funds. We will receive a $10 million asset and $1.5 million reserve fund with this donation. The Law School already has state and regional accreditation and is on the path to win ABA accreditation.

The Law School will be based in Dartmouth capped by 585 students; these stipulations will more than protect the competitive interests of any law school in this state. Chancellor MacCormack has proven success as a fiscal manager, been involved in numerous successful program accreditations and has led two of our five campuses. Her track record instills confidence.

President Wilson wrapped up his comments by stating that this proposal is a major step for the University and one that we should take. The creation of the University of Massachusetts School of Law will provide an opportunity to advance our goals of equal admission to education, research and public service.

Chair Karam then read a statement from Trustee Janet Pearl who could not be here today:

"Although I can not participate in the University of Massachusetts Board of Trustees meeting today, I am writing this email to express my support for the proposed merger between the University of Massachusetts and the Southern New England School of Law. If I could be present to vote, I would vote in support of the merger.

I feel that it is important for Massachusetts to be able to offer a public law school education to its residents: 1) to provide a more affordable option to attend law school in the state and 2) to provide a doorway to public interest law, which at the moment, is an area of need in Massachusetts.

A University of Massachusetts law school will likely create research and collaborative opportunities amongst the campuses and with local industries. These opportunities will strengthen the University of Massachusetts as a whole, and the Dartmouth campus, in particular.

I am impressed with the due diligence that President Wilson and Chancellor MacCormack have done on this issue, and, even more so, with their personal expressions of faith in the success of this proposed merger, including the feasibility of establishing accreditation for the UMass law school. They have each noted that this merger would not drain significant finances (other than $650K/year for three years) from the University of Massachusetts and would not require additional financial support from the state."

The Board then heard from several speakers who had requested an appearance before the Board.

Representative Gale Candaras spoke of her opposition to the law school.

Representative Robert Correira spoke of his support for the law school as did Paul Walsh, District Attorney, Bristol County.

Senator Mark Montigny was scheduled to speak but did not attend the meeting.

Trustee Dennis Austin then made a motion to approve the establishment of the University of Massachusetts School of Law.

The motion was seconded by Trustee McCarthy.

Trustee Kennedy then offered an amendment to the motion that would indicate the Law School would remain in the Dartmouth area. The amendment was moved and seconded.

Responding to questions about the amendment, General Counsel O'Malley indicated that the amendment was a declaration of present intent but could not restrict the Board from amending it in the future.

Trustee Fey stated her confidence that due diligence has been completed. As the Trustee representative on the Board of Higher Education she stated her belief that the proposed merger will provide academic benefits to the Dartmouth campus and the University system.

It was then

VOTED: To approve the amendment to the original motion adding the line in the second sentence after located in "and shall remain in,".

Chair Karam then opened up the meeting for discussion.

Trustee Boyle indicated that nine weeks have passed since the law school issue was raised; this has not been enough time for review; there have been four requests for the establishment of an ad hoc committee to study the issue, all requests have been denied. The search for a new Chancellor at UMASS Boston is underway and is expected to last many months. The law school imitative should be vetted; the University has more important priorities such as the parking garage at UMASS Boston.

Trustee Sheridan stated his appreciation for his role as a Trustee; he too believes the University has other priorities at this time such as the need for a new athletic center at the Amherst campus, developing a strategy to deal with the declining enrollment at the Boston campus and increasing public and private funding to provide the University with the necessary resources to achieve the desired level of excellence.

Chair Karam reminded the Board that the Medical School went through the same doubts. Trustee Mahoney stated his support for the law school and believes it has been shown to be an affordable endeavor. Trustee McCarthy believes the law school will be a wonderful asset for the University and strongly supports the initiative.

Trustee Moseley from the Dartmouth campus spoke of his support for the law school and what it will mean to the region.

At 11:20 a.m. Trustee Cassel ended her conference call and indicated her support for the law school.

Chair Karam then recognized Senator Menard a supporter of the law school proposal.

President Wilson reported that the law school initiative will not get in the way of other University priorities; it will actually support some of the other things we are trying to do. The law school is financially stable and will create private fundraising opportunities.

President Wilson reported that the Commissioner of DCAM recently visited the Boston campus and is aware of its needs. We will continue to address the priorities and needs of the other campuses; the law school will not interfere with our goals but enhance our goals.

Trustees DiBiaggio and O'Shea, although they could not vote because of their attendance via teleconference call, offered their support for the proposal and believe that the important questions have been answered.

Following comments from other Trustees, Vice Chair White commended Chancellor MacCormack for her efforts with this initiative. He believes the issue has been properly vetted through several meetings and all questions have been answered. The Dartmouth campus has demonstrated effectiveness in building new academic programs and winning national accreditations. The University is in position to launch a public law school that will serve the citizens of the Commonwealth.

It was then

VOTED: To approve the establishment of a law school to be known as the University of Massachusetts School of Law. Said school shall be located in and shall remain in, and operated from Dartmouth, Massachusetts and shall be so maintained and operated as to comply with the standards approved by nationally recognized legal associations for accredited schools of law. The enrollment of said School of Law shall not exceed five hundred and eighty-five students.

1.The President is authorized to enter into an agreement or series of agreements with the Southern New England School of Law to effectuate the accomplishment and establishment of a university law school.

2. (a) The President is authorized to request, on behalf of the University, the University of Massachusetts Building Authority, to acquire by donation or otherwise the buildings, grounds and other assets of the Southern New England School of Law, to review the possibility of refinancing the existing debt of the Southern New England School of Law with tax-exempt debt or otherwise to reduce the debt service obligations, to undertake such refinancing if it is economic and feasible, and to carry out any other activities necessary or convenient to said acquisition of said buildings, grounds and other assets.

(b) This vote is intended as the expression of the University's "official intent" under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds by the University of Massachusetts Building Authority for financing and refinancing the cost of the project described in subparagraph 2(a) of this vote.

3. Upon establishment of the School of Law and final closing of the agreement(s) authorized in the preceding sections, the J.D. in Law at the University of Massachusetts Dartmouth as contained in Doc. T04-088 is approved, subject to the right and duty of the President to implement any modifications or improvements pursuant to trustee policy on academic degree programs, as he deems necessary or desirable.

4. The Vice President for Management and Fiscal Affairs and Treasurer and General Counsel are authorized and directed to perform all due diligence to assure that the President is advised as to the prudent exercise of the authority granted herein. (Doc. T04-087)

Trustees Boyle and Sheridan voted against the motion.

There being no further business to come before the Board, the meeting was adjourned at 11:34 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

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MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS

Wednesday, January 21, 2004; 8:00 a.m.
Board Room
One Beacon Street - 26th Floor
University of Massachusetts
Boston, Massachusetts

Committee Members Present: Chair White; Vice Chairs Boyle and Sheridan; Trustees Austin, DiBiaggio, Fatemi, Kennedy, Marcalo, Morand and Reed

Committee Members Absent: Trustee Cassel, Giblin and Mahoney

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Chmura, Gray, and Lenhardt; Ms. Harrington, Associate Vice President; Chancellors Lombardi, Gora and MacCormack; Provosts Seymour, Fonteyn, Esposito and Wooding; Vice Chancellor Scheid, UMASS Worcester

Faculty Representatives: Professors May and O'Connor, UMASS Amherst

Guests: Michael Gargano, Vice Chancellor for Student Affairs, UMASS Amherst; J. Keith Motley, Vice Chancellor for Student Affairs, UMASS Boston; Michael Laliberte, Associate Dean of Students, UMASS Dartmouth; Laurence Siegel, Dean of Student Life, UMASS Lowell; Thomas Taylor, Dean of Student Services, UMASS Lowell; Mai-Lan Rogoff, Associate Dean for Students, UMASS Worcester; Dr. Anna Klobucka, Portuguese Studies, UMASS Dartmouth; Dr. Sugukalyan Sengupta, Civil and Environmental Engineering, UMASS Dartmouth; Dr. William Moylan, Sound Recording Technology, UMASS Lowell

Chair White convened the meeting at 8:04 a.m. and introduced the newest Trustees to the Committee, Dr. John DiBiaggio, President Emeritus, Tufts University and former executive director of the Medical Center at the University of Connecticut, and Matthew Morand, Student, UMASS Lowell.

The first item on the agenda was **Consideration of the Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the October 21, 2003 meeting of the Committee.

The next item was the **President's Report**. President Wilson reported that today's discussion would focus on Learning: In the Classroom and Beyond. Program proposals from the Dartmouth and Lowell campuses, and tenure awards and appointments will also be discussed. He indicated that Strategic Plans would be discussed at the Committee of the Whole meeting in February.

President Wilson reported on activities taking place on the campuses. Highlights included:

UMASS Amherst

- A Consortium for Distributive Decision Making at UMASS Amherst was awarded a highly competitive IBM grant to study how rich computing technology can help reduce the risk from power outages and other emergencies to improve Homeland Security;
- *The Boston Globe* featured an article on the creation of a Mass Nanotech Center by a group of faculty at UMASS Amherst. Nanotech research received over $23 million in funding over the last 3 years.

UMASS Boston

- UMASS Boston faculty received a $350,000 grant from the Ford Foundation to support a Center for the Improvement of Teaching;
- Dr. Julie Winch, Professor of History at UMASS Boston, has been awarded a $40,000 grant by the National Endowment for the Humanities.

UMASS Dartmouth

- The Advance Technology and Manufacturing Center (ATMC) in Fall River received a $100,000 grant to investigate strategies to advance information technology from Navy Command and Control Systems, as well as detailed old Navy technologies that have potential for transfer to the Merrimack Security Information Technologies component of the U.S. Department of Homeland Security;
- Dr. Maria Blanton of UMASS Dartmouth received a $205,000 grant from the National Science Foundation for reforming college mathematics.

UMASS Lowell

- *The Boston Globe* featured an article on UMASS Lowell's plastics engineering department;
- UMASS Lowell received a National Science Foundation grant to research the unpredictable risk behavior in managed scaled material;
- The U.S. Army awarded UMASS Lowell's Submillimeter Wave Technology Lab a $21.1 million, five-year contract;
- DARPA granted a $1.5 million for three-years for the combined research team at UMASS Lowell, the Airforce Research Laboratory, and the Electronic Technology Group at Hanscom Airforce Base to produce advanced electronic and imaging for military applications.

UMASS Worcester

- Dr. Craig Mello's discovery of RNAi was noted as the breakthrough of the year by *Science Magazine* for the second year in a row. Dr. Mello also received the award in Molecular Biology from the National Academy of Science, and the Life Prize in Biomedical Sciences from Rockefeller University;
- Dr. John Sullivan, Director of the UMASS Medical School won the Manuel Carballo Governor's Award for Excellence in Public Service.

President Wilson then provided a brief update on the ongoing investigation of grants and contracts awarded to the Lowell campus by a former government official. The University's Internal Auditor has been asked to provide a second opinion.

The next item was the **Vice President's Report**. Ms. Harrington reported that the College of Health Professions, and the Department of Work Environment have merged to create the School of Health and Environment on the Lowell campus. The new school has been charged with developing an undergraduate program in environmental health.

Ms. Harrington reported that President Wilson and Vice President Chmura met with William Swanson, CEO of Raytheon Corporation in December. The University intends to continue its long-standing relationship with Raytheon. Mr. Swanson and two of his senior executives in attendance received a summary of the undergraduate programs conducted by the University through Raytheon's $1 million, 5-year grant, which ended in 2003. Highlights of the activities are summarized in a video presentation shown during the meeting. A copy of the video presentation may be obtained from Ms. Harrington.

Ms. Harrington indicated that Acting UMassOnline CEO David Gray reported that institution enrollment was up 33% and revenues were up over 40% in 2003 for UMassOnline. President Wilson had his first high school visit at Sharon High School in late October 2003.

Ms. Harrington then reported on three new program proposals to come before the Committee. Each program has been through an intensive development process, as well as internal campus reviews and external reviews. The Master in Music and Sound Recording Technology on the Lowell campus is the first of its kind in the country; the Master of Art in Portuguese Studies helps with the regional, national and international recognition of UMASS Dartmouth's contribution to the field; and the Master of Science in Civil and Environmental Engineering is a natural evolution for the campus and the field. She indicated that the new programs contribute and enhance the academic programs and strategy of the campuses.

President Wilson then announced the formation of a High Tech Executive Advisory Council to advise University leaders on ways that the five campuses can help strengthen the Commonwealth's recovering technology-based economy.

The next item on the agenda for discussion was **Learning: In the Classroom and Beyond**. President Wilson introduced Michael Gargano, Vice Chancellor for Student Affairs, UMASS Amherst; J. Keith Motley, Vice Chancellor for Student Affairs, UMASS Boston; Michael Laliberte, Associate Dean of Students, UMASS Dartmouth; Laurence Siegel, Dean of Student Life, UMASS Lowell; Thomas Taylor, Dean of Student Services, UMASS Lowell; and Mai-Lan Rogoff, Associate Dean for Students, UMASS Worcester. They then engaged the Committee in a discussion focusing on the following areas:

- What are the means we use to educate students to understand the responsibilities of membership in a community?
- How do these kinds of activities build an understanding of choices about future work and workforce professions?
- Is it appropriate to institute a mandatory ethics course on the undergraduate level to help students understand professional behavior?
- How do students avoid getting lost in the student affairs process?
- What are the campuses doing to keep faculty engaged in the student affairs process?
- How is the increasing number of adult learners on the campuses affected by the student affairs process?
- To what extent is the student affairs area taking the phenomenon of students working 20-40 hours per week into account?

President Wilson indicated that the discussion highlights the important ways to learn how the campuses operate in all the areas of academics, inside and outside of the classroom.

Chair White indicated that student affairs is critically important in how it ties into the academic programs. He asked the Chancellors to create objectives and measures on how the campuses are doing in the student affairs area.

Chair White then introduced the next item for action, **Appointment to Named Professorship, UMASS Amherst**. Provost Seymour reported that Professor Desu has been with the University since 1998. He has published over 225 articles and has secured $8 million in research funding for the campus. Professor Desu is a fellow of the American Academy of Ceramics. His leadership was instrumental in the conceptualization of the National Science Foundation-sponsored Engineering Research Center, and his research contributions were instrumental to the development of General Electric's efficiency light bulb.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To concur with the President in the appointment of Seshu B. Desu as a Distinguished Professor at the University of Massachusetts Amherst. (Doc. T04-008)

The next item for action was **M.A. in Portuguese Studies, UMASS Dartmouth**. Dr. Anna Klobucka, Chair of the Department of Portuguese Studies reported that the creation of the Master's in Portuguese Studies would constitute a logical and natural consequence of the ongoing expansion of the Portuguese program at UMASS Dartmouth. The founding in 1996 of the Center for Portuguese Studies and Culture, and the creation in 2001 of the Department of Portuguese have laid the groundwork and provided the necessary infrastructure for the establishment of a successful graduate program in the field. The proposed program offers an in-depth understanding of literary and cultural studies of the Portuguese-speaking world within a broad interdisciplinary context of humanities and social sciences.

Dr. Klobucka indicated that a team of external reviewers commented that "given its location within the Portuguese heritage speaking community and strength of its core and affiliate faculty in Portuguese studies, UMASS Dartmouth is the ideal academic institution to launch such a graduate program."

Trustee Marcalo, a native of Portugal, expressed her excitement for the approval of the program.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To approve the M.A. in Portuguese Studies at the University of Massachusetts Dartmouth as contained in Doc. T04-009.

The next item for action was **M.S. in Civil and Environmental Engineering, UMASS Dartmouth**. Dr. Sugukalyan Sengupta, Chair of the Department of Civil and Environmental Engineering reported that there is a need for the program based on a survey conducted on alumni and potential employers in the region. The American Society of Civil Engineers strongly recommended that a master's degree is a must in this area in order to obtain licensure.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To approve the M.S. in Civil and Environmental Engineering at the University of Massachusetts Dartmouth as contained in Doc. T04-010.

The next item for action was **M.M. in Sound Recording Technology, UMASS Lowell**. Dr. William Moylan, Chair of the Music Department and Coordinator of the Sound Recording Technology Program, reported that the Master in Sound Recording Technology has been identified as part of the campus' Strategic Plan. The program is going to be the first of its kind in the United States, looking at the utilization of technology of creative expression. UMASS Lowell is in the process of conducting a national search for a sound recording faculty member.

Dr. Moylan reported that the Master in Sound Recording Technology program has been reviewed by the National Association of Schools of Music, and the Commission on Accreditation on New England Schools of Music voted to approve the program.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To approve the M.M. in Sound Recording Technology at the University of Massachusetts Lowell as contained in Doc. T04-011.

Chair White then announced that the Committee would enter into **Executive Session** to consider **Appointment with Tenure, UMASS Dartmouth** and **Awards of Tenure, UMASS Worcester**. He indicated that the Committee would not reconvene in open session.

It was moved, seconded and

VOTED: To enter into **Executive Session** for the purpose of considering **Appointment with Tenure, UMASS Dartmouth** and **Awards of Tenure, UMASS Worcester**.

Chair White voted for the motion as did Vice Chairs Boyle and Sheridan; Trustees Austin, DiBiaggio, Kennedy and Marcalo. The time was 9:55 a.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS

Wednesday, April 21, 2004; 8:00 a.m.
Board Room
One Beacon Street - 26th Floor
University of Massachusetts
Boston, Massachusetts

Committee Members Present: Chair White; Vice Chairs Boyle and Sheridan; Trustees Brathwaite, DiBiaggio and Fatemi

Committee Members Absent: Trustees Austin, Cassel, Giblin, Kennedy, Mahoney, Marcalo, Morand and Reed

University Administration: General Counsel O'Malley; Associate Vice President Harrington; Executive Vice President Julian; Chancellors Lombardi, Gora and MacCormack; Provosts Seymour, Fonteyn, Esposito and Wooding; Linda Slakey, Dean, Honors Program, UMASS Amherst

Faculty Representatives: Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor Carter, UMASS Lowell

Guests: Lisa Franks and Kristen Ierardi, UMASS Amherst; Walter Martinez, UMASS Boston; Amelia Thomas, UMASS Dartmouth; Rebecca Spolarich, UMASS Lowell

Chair White convened the meeting at 8:05 a.m.

The first item on the agenda was **Consideration of the Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the January 21, 2004 meeting of the Committee.

Dr. Harrington then gave the **President's and Vice President's Report**. She first congratulated UMASS Boston for the opening of its new Campus Center. The ribbon-cutting ceremony was held on April 2nd and attended by many special guests. The Boston campus will be holding a special fundraising event on April 26th at the Campus Center featuring singer Judy Collins and the presentation of Exemplary Leadership Awards to notable alumni.

Committee on Academic and Student Affairs
April 21, 2004

The 2005 Edition of "America's Best Graduate Schools" by US News and World Report contained good news for two of our campuses: UMASS Amherst College of Engineering posted five places in the new engineering disciplines rankings: 29 for chemical engineering, 26 for computer systems engineering, 43 for electrical engineering, 23 for environmental engineering, and 53 for mechanical engineering. The English Department's MFA Program ranks among the top ten MFA programs in the country, according to the same issue of rankings. The University of Massachusetts Medical School (UMMS) was ranked third in primary care among the nation's 125 medical schools. UMMS, which has held a spot near the top of the category since the magazine began its rankings in 1994, was tied with the University of Wisconsin-Madison for third; the University of Washington and Oregon Health & Science University were first and second, respectively.

On March 16th, UMASS Boston hosted a community breakfast at which the Quinn Award for Outstanding Community Leadership was given to Isaura Mendes, a mother, grandmother, and anti-violence leader. The Quinn Award was established in honor of Robert H. Quinn, whose record includes years as Speaker of the Massachusetts House of Representatives, Massachusetts Attorney General, and Chair of the UMASS Board of Trustees.

ABC News commentator George Stephanopoulos recounted his experiences as both a policy maker and a journalist before a crowd of 200 participants at "Dangerous Intersection: Where the Media and Public Policy Collide", the debut conference of the Center on Media and Society at the University of Massachusetts Boston.

On February 27th, the New England Board of Higher Education presented its prestigious 2004 Excellence Award to Dr. Robert Waxler of UMASS Dartmouth and his colleagues for their innovative alternative sentencing program "Changing Lives Through Literature". The Changing Lives Through Literature program is a nationally recognized alternative sentencing program for male and female criminal offenders. It evolved out of a unique research partnership between Dr. Waxler, a professor of English literature at the University of Massachusetts Dartmouth and the court system in southeastern Massachusetts. Dr. Waxler has been a recipient of the Presidential Public Service Awards and had his picture hanging in the Board room.

NASA has awarded a $1.7 million, three-year grant to the Center for Atmospheric Research at UMASS Lowell, for participation in the Jupiter Icy Moons Orbiter (JIMO). The interplanetary mission will explore indications that liquid water may underlie the ice caps, using unique low- and high-frequency radio sounding instruments developed in the Center.

The New England Association of Schools and Colleges (NEASC) Commission on Institutions of Higher Education recently granted UMASS Lowell continuing accreditation, following a rigorous evaluation. The report notes that among the campus's "outstanding assets are a clearly defined mission…; a dedicated and talented faculty; an ambitious and loyal student body; and an experienced, committed administrative leadership team."

Committee on Academic and Student Affairs
April 21, 2004

After years of intense research and testing, a new HIV vaccine, developed by scientists at the University of Massachusetts Medical School (UMMS) and Advanced BioScience Laboratories, Inc. (ABL), and funded by the National Institute of Allergy and Infectious Diseases (NIAID), has been designated as an investigational new drug (IND) by the U.S. Food and Drug Administration. The FDA has also given UMMS the green light to begin a clinical trial to test the vaccine's safety and immunogenicity in people.

Dr. Harrington informed the Committee that copies of the Fall 2003 Student Profile has been distributed for their information. This report provides a great deal of information about our student body. It helps us understand who our students are and track their progress over time. Dr. Harrington thanked Barbara Velardi in Academic Affairs who prepared this document.

The annual University Scholars reception will be held on May 26th, at 3:00 p.m. at the State House. The Scholarship was offered to 163 students from a pool of 522 nominees. Trustees will be receiving invitations to the reception.

Dr. Harrington then discussed the 2004 annual Performance Measurement Report which Trustees will receive shortly in the mail. The Performance Measurement Report is not only an instrument for reporting large quantities of data, but it is a tool that Chancellors, Provosts, and others use to manage the campuses. This report, compiled each spring and sent to the Board prior to the May meeting, is just one of the means by which the University demonstrates its accountability to the Board and to other constituencies. The Performance Measurement Systems is comprised of indicators grouped into five broad areas: Academic Quality, Student Success and Satisfaction, Access and Affordability, Service to the Commonwealth, and Financial Health. There are indicators within these areas that are reported at the system level, some at both the system and the campus level and some only at the campus level. The full report contains information on campus performance, trends and peer comparisons. Dr. Harrington then highlighted a few indicators related to Academic Quality, Student Success and Satisfaction, and Access and Affordability.

The freshman retention and graduation rates of UMASS campuses are generally similar to or slightly higher than those of their peer institutions. Both of these measures have received some publicity within the last few months and it would be helpful to review what these measures indicate. Retention measures the number of first-time, full-time students enrolled in one year who return for the next. Graduation rate measures the percent of first-time, full-time first year students who entered in a given fall and had graduated within six years. Many students today do not begin and finish at the same institution. Research shows that nearly 60% of undergraduates attend more than one college and only about 40% of them complete a degree within the six year measured time frame. One of the most significant ways in which retention and graduation rates can be influenced is through the admissions policy. The rising academic profile of students entering UMASS, as noted by the statistics relative to high school GPA and SAT, indicate that the campuses have been intentional with respect to admitting students whose grades indicate a high degree of probable degree attainment. But many other factors can and will cause students

to leave an institution, either to move to another higher education institution, or to drop out entirely or for a period of time. It is noted in the full report that the campuses are very aware of the importance of assisting students to persist in achieving a degree, and take retention and graduation rates very seriously.

Retention and graduation rates are a measure of those students who enter an institution as full-time, first-time students. The population of a campus is also a factor when considering this indicator. Campuses which enroll higher numbers of transfer students and/or part-time students may perform less well on this indicator. UMASS Boston and UMASS Dartmouth have decided to include in their campus indicators both the retention and graduation rates of transfer students in recognition of the significant number of these students in their populations. There is no comparable peer data available for these measures. Retention rates for transfer students at these campuses are comparable or better than retention of first-time students. Graduation rates are higher than for first-time students, a possible indication that students transferring to either UMASS Boston or UMASS Dartmouth have committed to earning a degree at these institutions.

Despite increases in tuition and fees, UMASS continues to remain affordable relative to median family income in the state and compares favorably with New England public universities and Massachusetts private universities. The vast majority of UMASS undergraduates (87%) continue to come from Massachusetts, compared with just over a quarter of undergraduates in the state's private university sector.

The proportion of UMASS undergraduate students who are African American, Asian, Hispanic/Latino, or Native American (21%) compares favorably with the state's population of high school graduates.

Trustee DiBiaggio had a question about the drop in applications at the Amherst campus. Chancellor Lombardi reported that the campus tracks the quality of the students that attend the Amherst campus rather than the students that apply. Dr. Harrington pointed out that recent events played a factor in the drop off last year such as some negative publicity and recent budget cuts. It was noted that the numbers are up this year. Chancellor Lombardi also noted that any change in admission standards has an impact on potential students.

Dr. Harrington then introduced the **Discussion Item**: **With Honors: Undergraduates**. Excellence is a hallmark of the University of Massachusetts. The University strives to excel in all of its endeavors, in particular, offering students an excellent education – all students, all campuses. Within the framework of excellence, there are some students who desire more, who want to engage intensely with learning, and who, as the Commonwealth College Academic Philosophy states: "want to encourage discovery, creativity, initiative, responsibility, collaboration, leadership and independent thought. For those students, the University offers honors education.

Committee on Academic and Student Affairs
April 21, 2004

Honors education offers to students an enriched, rigorous education distinguished by attention to student inquiry, writing, critical thinking and oral presentation. Honors programs are offered at each of the University undergraduate campuses. Students may enter the honors program as freshmen or transfer students, or at any other point within their academic experience at the University. Students chosen for honors program participation evidence strong academic performance and desire already, whether in high school or college. There are over 3,500 honors students in the system.

The majority of these students are at Commonwealth College, which serves 2,600 students. Each entering class is approximately 500 students. Another 200 students each year enter as sophomores. Last year's class included 51 valedictorians and salutatorians. Commonwealth College also provides leadership for honors education among the 28 undergraduate public higher education institutions in the Commonwealth. Commonwealth College has worked with the other colleges to develop a consistent set of standards among honors programs. These standards both ensure a high level of quality in the honors programs at each institution, and also enable students to transfer from one to the other easily.

Each year, Commonwealth College organizes the annual Undergraduate Conference. Student from across the Commonwealth, in community colleges, state colleges and the University are invited to present their research and creative works. Today we have five students representing the system's honors programs. They are joined by Dean Linda Slakey of Commonwealth College, UMASS Amherst.

Rebecca Spolarich from the Lowell campus began her report and talked about her research examining nineteenth century ideals of masculinity in American art and literature.

Walter Martinez from the Boston campus talked about his independent research which was presented this past weekend at the National Conference on Undergraduate Research in Indianapolis. The report examined the forces that contributed to judicial restraint exercised by the Supreme Court in cases that involved tariff issues with the United States and Puerto Rico.

Mr. Martinez expressed his gratitude to UMASS Boston and the Honors Program for everything that he has learned and the doors that have been opened.

Lisa Franks and Kristen Ierardi, from the Amherst campus talked about their work with after school programs in the Western Massachusetts region. Some of the subjects that were studied included: child autonomy, the choices the students get to make while in the program and student interaction with teachers.

Amelia Thomas from the Dartmouth campus talked about her work with biochemistry creating an oral vaccine for botulitem neurotoxin which is the bacteria that creates botulism. Used as a weapon of terrorism, this agent could affect millions of people. Ms. Thomas is working with the Army, Department of Defense and the FBI on a vaccine and currently has an experimental hypodermic vaccine.

The students were asked what led them to attend the University and to their entry into the Honors Program; their responses included the University's reputation, financial reasons, the need to live and attend school in a different state and the challenge of the work of an Honor's student.

Chair White commended the students for this informative presentation that was followed by a round of applause.

The first item for action was **Revisions to the Code of Student Conduct, UMASS Amherst**. Chancellor Lombardi reported that the revisions have been reviewed and approved by the Student Affairs Judicial Issues Committee, University Counsel, the Dean of Students and the Vice Chancellor for Student Affairs. The revisions include the section on Endangering Behavior which will allow the University to charge students that engage in riotous behavior.

The revision to the Firearms section is due to the increasing popularity of "paint ball". The guns used to play paint ball are being construed as being a real weapon.

The last revision regards Parental Notification and the Buckley Amendment that allows for parental notification of any rule of policy of an institution governing the use of alcohol. The proposed change reads "If any student is found to be in violation of the University alcohol and drug policies for possession of a keg or large volume, for dispending alcohol to a minor, or for possession or distribution of controlled substances, the parents or legal guardians of dependent students under 21 will be notified. If any student violates the University alcohol policies for underage possession or open container in public space for a second time, the parents or legal guardians of dependent students under 21 will be notified".

Trustee DiBiaggio had a question about a letter sent to the members of the Board from Jared Nokes, President of the Student Government Association. Mr. Nokes objected to the process that did not allow the revisions to come before the full Student Government Association for approval. Mr. Nokes also stated that the University should treat its students as adults and notifying parents is not an acceptable form of punishment.

Chair White called on Trustee Fatemi from the Amherst campus for her views on the subject. Trustee Fatemi informed the Committee that she supports the revisions and believes it is in the best interest of the students to change the climate on campus as far as issues with alcohol. She also informed the Committee that Mr. Nokes failed to notify her of his objections and that

students played a large role in the process with student input on the Student Affairs Judicial Issues Committee. General Counsel O'Malley noted that the Buckley Amendment has not thus far been challenged.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To approve the revisions to the Code of Student Conduct of the University of Massachusetts Amherst as contained in Doc. T94-059, as amended.

The next item for action was **Appointment to Named Professorship, UMASS Amherst**. Provost Seymour reported on this item and first noted that today's Honor Students are sure to be candidates for future Named Professorships.

Professor Thomas P. Russell is a graduate of the Amherst campus and has an excellent record in research, teaching and services. He has established himself as a world-renowned leader in polymer science and has been a role model for students and postdoctoral fellows that have gone on to have exceptional careers.

There was a question about the significance of being named to a professorship. Provost Seymour reported that the award increases the University's visibility when recruiting and is used as a tool when funding awards.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To concur with the President in the appointment of Thomas P. Russell as a Distinguished Professor at the University of Massachusetts Amherst. (Doc. T04-028)

Chair White then announced that the Committee would enter into **Executive Session** to consider **Appointments with Tenure, UMASS Amherst and UMASS Boston** and **Awards of Tenure, UMASS Amherst and UMASS Boston**. He indicated that the Committee would not reconvene in open session.

It was moved, seconded and

VOTED: To enter into **Executive Session** for the purpose of considering **Appointments with Tenure, UMASS Amherst and UMASS Boston** and **Awards of Tenure, UMASS Amherst and UMASS Boston.**

Committee on Academic and Student Affairs
April 21, 2004

Chair White voted for the motion as did Vice Chairs Boyle and Sheridan and Trustees Brathwaite and DiBiaggio. The time was 9:25 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

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MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS

Tuesday, July 20, 2004; 8:00 a.m.
Board Room
One Beacon Street - 26th Floor
University of Massachusetts
Boston, Massachusetts

Committee Members Present: Chair White; Vice Chair Sheridan; Trustees Austin, Cassel (via conference call), DiBiaggio, Giblin, Kennedy, Murphy and Pham

Committee Members Absent: Vice Chair Boyle; Trustees Labrecque, Mahoney and Moseley

University Administration: President Wilson; General Counsel O'Malley; Associate Vice President Harrington; Vice Presidents Chmura and Gray; Chancellors Lombardi, MacCormack and Hogan; Provosts Seymour, Esposito and Wooding; Vice Provost Langley, UMASS Boston; Vice Chancellor Scheid, UMASS Worcester

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor Carter, UMASS Lowell

Guests: Professor Noelle McAffee, UMASS Lowell; Robert Crossley, Chair, English Department, UMASS Boston; Leon Osterweil, Dean, College of Natural Sciences and Mathematics, UMASS Amherst; Mary Connelly, Student Activities Director, UMASS Lowell; Laurence Siegel, Residence Life Director, UMASS Lowell; Lee Edwards, Dean, Humanities and Fine Arts, UMASS Amherst; Ron Michaud, Chair, Art Department, UMASS Amherst; Kathleen Lugosch, Architecture Program Director, UMASS Amherst

Chair White convened the meeting at 8:02 a.m. and introduced the student Trustees to the Committee, Matthew Murphy, UMASS Amherst and Tuan Pham, UMASS Boston. Trustees Matthew Moseley from UMASS Dartmouth and Michael Labrecque from UMASS Lowell were not able to attend the meeting.

The first item on the agenda was **Consideration of the Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the January 21, 2004 meeting of the Committee.

The next item was the **President's Report**. President Wilson announced that Trustees will receive an invitation to attend the Boston Pops Concert to be held on July 28th at UMASS Boston. The concert is a gift to the City of Boston for hosting the Democratic National Convention and provides an opportunity to highlight UMASS Boston.

President Wilson reported that he participated in four of the five University commencements, and participated in the Boston Pops celebration held on June 23rd for the first time. At the Boston Pops celebration President Wilson presented President's Medals to retired IMB Executive John Armstrong and his wife Elizabeth and to the Charlton Charitable Trust which represents a legacy of the late Earl P. Charlton, founder of the Fall River based Woolworth's department store.

President Wilson reported that on July 12th he announced that J. Keith Motley will serve as Interim Chancellor at UMASS Boston. He thanked Provost Fonteyn for doing a terrific job and indicated that Provost Fonteyn will take on additional responsibilities on the academic side.

President Wilson welcomed the new student Trustees to the Committee.

President Wilson announced that the Committee on Administration, Finance and Audit will receive the University's Preliminary Operating Budget Summary at its July 22nd meeting. The University is looking at an estimated state budget of $400 million.

President Wilson reported that the process in the $20 million UMASS/Nantucket Conservation Foundation collaboration continues to move forward. He also reported that UMASS Amherst expects to fill more than 50% of the tenure-tracked positions lost since 2001 by September. He then thanked the Chancellors, faculty, and staff for their dedication.

President Wilson reported that $1 million in grants from Intellectual Property monies have been awarded to advance promising research and innovation across the five-campus system; and a $10,000 grant was awarded to accelerate the commercialization of technology developed in UMASS Laboratories.

President Wilson reported that funding from the Governor and approval by the Legislature has led to the creation of the Massachusetts Technology Transfer Center (MTTC). Abigail Barrows has been hired as the Director. The MTTC is a key component in the state-wide science and technology legislation to strengthen the Commonwealth's competitive position in the national and global innovation economy.

Chair White welcomed Trustee Cassel who was joining the meeting by telephone.

The next item was the **Vice President's Report**. Ms. Harrington provided a brief summary of the University of Massachusetts FY2003/FY2004 Financial Aid Q&A. The FY2003/FY2004 Financial Aid Q&A is an overview on financial aid information gathered by the Administration and Finance department. Seventy-two percent of students enrolled at UMASS apply for financial aid. Of the 72% of students applying for aid, 78% are determined to have a need. On average, UMASS is able to meet an estimated 84% to 95% of the financial need for enrolled students.

Ms. Harrington introduced the **Discussion Item**, **The Tenure Process**. The Tenure Process begins with the decision of whether or not to hire a faculty member into a tenure-tracked position. As the tenure decision year approaches, the faculty member must assemble a comprehensive file documenting contributions to the University in the areas of teaching, research and service. In addition to material submitted by the faculty member, the department will solicit feedback from external reviewers and from current and former students. The tenure process includes multiple levels of review which vary by institution. Ms. Harrington indicated that the comments made by the presenters should demonstrate the level of review undergone and the quality of standards met in the decision to award tenure.

Ms. Harrington then introduced Professor Noelle McAffee, UMASS Lowell; Robert Crossley, Chair of the English Department, UMASS Boston; Leon Osterweil, Dean of the College of Natural Sciences and Mathematics, UMASS Amherst. Provosts Seymour, UMASS Amherst; Esposito, UMASS Dartmouth; Wooding, UMASS Lowell; and Vice Provost Langley, UMASS Boston also participated. The discussion began with information regarding the composition of a tenure file. The Committee learned about the process for soliciting peer reviews and the importance of such reviews to the tenure decision process. Peer reviews are used to assess both research and teaching. The role of teaching, as well as advising, mentoring, and chairing thesis and dissertations committees is also evaluated as a critical element of the tenure process.

There was also a discussion on the importance of developing and understanding what "excellence" means within the context of each department and discipline, and maintaining high standards for awarding tenure.

Chair White and Ms. Harrington thanked the participants.

Chair White announced that the Committee would break for a brief recess. The time was 9:30 a.m.

The Committee reconvened at 9:35 a.m.

Committee on Academic and Student Affairs
July 20, 2004

The first item for action was **Student Government Constitution, UMASS Lowell**. Ms. Harrington introduced Mary Connelly, Student Activities Director and Laurence Siegel, Residence Life Director, UMASS Lowell. Dean Siegel reported that the revisions to the Student Government Constitution would change student representation from a class year to a college basis, refine the processes for activities and judicial matters, and create representation opportunities for resident and commuter student athletes.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To approve the Lowell Student Government Constitution as contained in Doc. T04-007.

The next item for action was **Revisions to the Graduate Medical Education Personnel Policy of the University of Massachusetts Medical School**. Vice Chancellor Scheid reported that the revisions to the Graduate Medical Education Personnel Policy reflect changes required by the governing body, the Accreditation Council on Graduate Medical Education, and clarifies policy requirements for licensure.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To approve the revisions to the Graduate Medical Education Personnel Policy of the University of Massachusetts Medical School as contained in Doc. T00-024, as amended.

The next item for action was **Appointment to Named Professorship, UMASS Worcester**. President Wilson reported that after the death of Ali and John Pierce's daughter the family created the Ali's Army Fund. The Fund then led Jack and Shelly Blais to create a Chair. Vice Chancellor Scheid then reported that Dr. Peter Newberger is well recognized as a researcher, and would serve as the first incumbent of the Ali and John Pierce Chair in Pediatric Hematology Oncology at UMASS Worcester.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To concur with the President in the appointment of Peter Newberger as the first incumbent of The Ali and John Pierce Chair in Pediatric Hematology Oncology at the University of Massachusetts Worcester. (Doc. T04-055)

The next item for action was **Master of Architecture, UMASS Amherst**. Ron Michaud, Chair of the Art Department, reported that the National Accreditation Board has already granted the program candidacy status. If the program is approved it would be the only program of its kind at a public institution in New England.

Lee Edwards, Dean of Humanities and Fine Arts expressed her excitement about the collaborative nature of the program. The program will produce architects who will be more broadly educated than has been common in the past and will help broaden understanding of an involvement in the discipline. Dean Edwards indicated that Kathleen Lugosch, Director of the Architecture Program spearheaded the formation of the program.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To approve the Master of Architecture at the University of Massachusetts Amherst as contained in Doc. T04-062.

Chair White then announced that the Committee would into **Executive Session** to consider **Appointments with Tenure, UMASS Dartmouth, UMASS Worcester** and **Awards of Tenure, UMASS Amherst, UMASS Dartmouth, UMASS Lowell, UMASS Worcester** and **Transfer of Tenure, UMASS Amherst** and **Transfer of Tenure, UMASS Lowell**. He indicated that the Committee would not reconvene in open session.

It was moved, seconded and

VOTED: To enter into **Executive Session** for the purpose of considering **Appointments with Tenure, UMASS Dartmouth, UMASS Worcester** and **Awards of Tenure, UMASS Amherst, UMASS Dartmouth, UMASS Lowell, UMASS Worcester** and **Transfer of Tenure, UMASS Amherst** and **Transfer of Tenure, UMASS Lowell**.

Chair White voted for the motion as did Trustees Austin and DiBiaggio. The time was 10:00 a.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

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MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS

Tuesday, October 19, 2004; 8:00 a.m.
Knapp Room
One Beacon Street - 26th Floor
University of Massachusetts
Boston, Massachusetts

Committee Members Present: Chair Austin; Vice Chair Cassel (via conference call); Trustees Boyle, DiBiaggio, LaBrecque, Moseley, Murphy, Pham and White; Chair Karam

Other Trustees: Trustee Moes

Committee Members Absent: Trustees Giblin, Kennedy, Mahoney and Sheridan

University Administration: President Wilson; General Counsel O'Malley; Associate Vice President Harrington; Executive Vice President Julian; Chancellors Lombardi, Motley and MacCormack; Provosts Fonteyn, Esposito and Wooding; Vice Chancellor Scheid; Mr. Cunningham, Associate Provost

Faculty Representatives: Professor Kinney, UMASS Amherst; Professor Carter, UMASS Lowell

Chair Austin convened the meeting at 8:05 a.m. and indicated that the Trustees have identified certain issues they want to discuss in the future to maintain an open dialogue with the campuses.

The first item on the agenda was **Consideration of the Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the July 20, 2004 meeting of the Committee.

The next item was the **President's Report**. President Wilson welcomed Trustee Austin as the new Chair of the Committee on Academic and Student Affairs, and announced that the Public Service Awards which honors faculty members from across the UMASS system will take place today.

President Wilson then provided an update on current academic events. He reported that UMASS Boston was awarded a $12.5 million grant from the National Science Foundation; UMASS Dartmouth celebrated the opening of the Earl P. Charlton College of Business created from a $3 million gift from the Charlton Family Trust; UMASS Boston hosted the Jimmy and Rosalynn Carter Partnership Award Ceremony for Campus-Community Collaboration; UMASS Lowell in partnership with Northeastern University and the University of New Hampshire received a $12.6 million grant from the National Science Foundation to establish a Center for Nanomanufacturing; UMASS Amherst hosted a nanotechnology conference; the National Science Foundation recently ranked UMASS Amherst 7th among U.S. universities receiving nanotechnology related research grants; the Amherst School of Nursing received a $957,000 grant from the Department of Health and Human Services; a series of television ads are promoting the University as 'making the world a better place'; the Medical School announced a sponsored research licensing agreement.

President Wilson updated the Committee on the search process for a Vice President for Academic Affairs.

President Wilson then reported that a number of issues have been addressed on the campuses in light of recent press reports about the racial climate on the campuses. He indicated that the University is committed to its goal of a positive climate on the campuses.

President Wilson reported that the next item is a discussion of the proposed **UMASS/Southern New England School of Law (SNSL) Merger**. Chancellor MacCormack will brief the Committee on the process. President Wilson provided a brief history on the law school and indicated that it is important to proceed in a professional manner and present information to the Board of Trustees in a timely fashion. Today's discussion will focus on academic issues related to the merger. Financial and administrative issues will be discussed at Thursday's Administration and Finance meeting.

Chair Karam reported that the due diligence process has been thorough. Getting the law school to a state of excellence from where it is today is a main concern. Chancellor MacCormack, President Wilson and his staff have been asked to report in November on the business plan, and the cost and risks of getting the law school fully accredited.

Chair Karam hopes that the Board can move forward with the law school merger based on the basic consideration of what it means for the University's mission, the campuses, and the Commonwealth of Massachusetts.

Chancellor MacCormack then briefed the Committee on the initial law school proposal and the due diligence process. Admissions standards and adequate faculty support remain critical academic issues for SNSL. Thirty-six percent of the students are students of color, a concern as we look at our mission of access.

Chancellor MacCormack reported that public interest law is a focus of the law school. We want to create a resource for the Commonwealth which would allow an opportunity for qualified working-class students who want to pursue a law education. There is a need, and that need is consistent with the University's mission to serve the Commonwealth.

Trustee Boyle indicated that he had electronically mailed a memo to Board members opposing the timing of a vote on the law school in November. He requested the creation of an Ad Hoc Committee to further review the proposed merger. Chair Karam indicated that there is no scheduled vote to go before the Board in November.

After further discussion Trustee Boyle asked if it was possible to review the American Bar Association Accreditation Reports. Chancellor MacCormack reported that it is possible but only at the facility.

Chair Austin announced that the Committee would break for a 20-25 minute recess for the Public Service Awards. The time was 9:34 a.m.

The Committee reconvened at 10:40 a.m.

Associate Vice President Harrington congratulated President Wilson who was inducted in the United States System Learning Association Hall of Fame on October 12th.

Chair Austin requested a brief update on the recent racial and ethnic conflict on the Amherst campus. Chancellor Lombardi has appointed a Blue Ribbon Commission to work on campus diversity issues. The Committee is expected to report its findings and recommendations in February 2005.

Associate Vice President Harrington then presented information on the **Fall 2004 Undergraduate Admissions Enrollment Preliminary Report; Periodic Multi-Year Review Report (PMYR); and Academic Quality Assessment and Development Report (AQAD).** She informed the Committee that the final preliminary enrollment figures will be available in December. Enrollment is strong across the system. Enrollment of first-year students and transfers was stable with minor changes. The number of applications for first-year students increased across the system, although the yield rate remains steady at 39%. Minority student enrollment and enrollment of out-of-state students were also stable.

Associate Vice President Harrington reported that this is the fifth year of Periodic Multi-Year Review implementation. One hundred and sixty-five faculty members were notified of a PMYR review. Twenty-three percent or 38 of those notified had their reviews waived due to impending retirements. An additional thirty-one (19%) were waived for other reasons. Ninety-six faculty completed PMYR, and of those reviewed, 95 were rated in the category of "statement accepted" (Amherst, Boston, and Lowell) or "Excellent/Satisfactory" (Dartmouth). Only one was categorized as "statement revised/needs improvement."

Associate Vice President Harrington reported that Academic Quality and Development is a part of the Performance Measurement System. AQAD is the program's review process. Every department must be reviewed on a 7-year cycle, with the exception of UMASS Dartmouth on a 5-year cycle. AQAD is an ongoing system that occurs at the program level. AQAD is intended to asses the four academic functions of teaching and learning, research scholarship, creative activity, and public service. It was established in 1997-1998. There were 30 programs reviewed in 2003-2004. There were strengths and areas of concern found in every review. The three common areas of concern in the reviews were: a concern about the declining number of faculty in many departments, the need to upgrade facilities, and the need to plan strategically for the future.

The first item for action was **Appointment to Named Professorship, UMASS Amherst**. Associate Provost Cunningham reported that Dr. James Kurose joined the University in 1984. President Wilson noted that he is an outstanding teacher and researcher. Associate Vice President Harrington noted that Dr. Kurose is a former recipient of the Public Service Awards.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To concur with the President in the appointment of James F. Kurose as a Distinguished Professor at the University of Massachusetts Amherst. (Doc. T04-068)

Chair Austin then announced that the Committee would into **Executive Session** to consider **Appointments with Tenure, UMASS Boston and UMASS Dartmouth** and **Awards of Tenure, UMASS Amherst**. He indicated that the Committee would not reconvene in open session.

It was moved, seconded and

VOTED: To enter into **Executive Session** for the purpose of considering **Appointments with Tenure, UMASS Boston and UMASS Dartmouth** and **Awards of Tenure, UMASS Amherst.**

Chair Austin voted for the motion as did Trustees DiBiaggio, and LaBrecque. The time was 11:25 a.m.

Zuzulka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

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MINUTES OF THE MEETING OF THE COMMITTEE ON ADMINSTRATION, FINANCE AND AUDIT

Thursday, January 22, 2004; 8:00 a.m.
Board Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Dubilo; Mahoney, Marcalo, O'Shea and Rainey

Committee Members Absent: Vice Chair Karam; Trustees Giblin, McCarthy and Moes

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Julian, Lenhardt, Chmura and Gray; Chancellors Lombardi, Gora, MacCormack, Hogan and Lazare; Ms. Wilda, University Controller; Mr. O'Riordan, Budget Director; Vice Chancellors for Administration and Finance Hatch, O'Connor, Zekan and Griffin; Deputy Chancellor Stanton; Mr. Harrison, Director of Auditing

Faculty Representatives: Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor Carter, UMASS Lowell

PricewaterhouseCoopers: Mr. Hanley and Ms. Gregory

Chair Dubilo convened the meeting at 8:01 a.m.

The first item on the agenda was **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the October 23, 2003 meeting of the Committee.

The first item on the agenda was the **Chair's Report**. Chair Dubilo first welcomed Trustee O'Shea to his first meeting as a member of the Committee and introduced Ellen O'Connor, UMASS Boston and Louis Griffin, UMASS Lowell, newly appointed Vice Chancellors for Administration and Finance.

Chair Dubilo also reported that the state and national economic picture continues to improve which will ultimately benefit the University.

The next item was the **President's Report**. President Wilson reported on recent actions of the Legislature: funding the contracts for faculty and staff, providing a $10 million supplemental appropriation and approving a stimulus economic bill, which will provide money for research endeavors among other things.

President Wilson reported that the University has submitted a level funding budget request for $390 million. While the state still faces many economic challenges the University expects strong support from the Governor and the Legislature.

President Wilson also announced that the Lowell campus is looking into the recent news about the awarding of contracts; Mr. Harrison will also undertake a study on this issue. There was also a High Tech Advisory Council meeting in the office recently that helped provide the University with some information on what steps we need to take to serve the needs of business and industry in Massachusetts.

The next item was the **Vice President's Report**. Vice President Lenhardt reported that $13 million in increases to employees has been distributed over the last two weeks; the remaining $13 million will be distributed in the next couple of months following the merit review process. The Board of Higher Education Task Force on Tuition and Fees has been put on hold for the time being. The final financial report has been distributed including the figures from the Building Authority and will be discussed later today.

Vice President Lenhardt also reported that a state public higher education report showed the Commonwealth as 50th in the United States in state public higher education dollar support.

The next item was **Audit Reports**. Mr. Hanley and Ms. Gregory from PricewaterhouseCoopers reported on the **FY2003 University Management Letter**, the **Office of Student Financial Assistance Report** and the **A-133 Audit Report**.

Trustee Mahoney had a question about the University's inventory of fixed assets. The University completed a portion of its physical inventory of computer equipment but an entire inventory on fixed assets has not been performed in many years.

Currently, the requirement for organizations receiving federal funding is that all assets purchased with federal funds be inventoried every two years. At least one or more of the University's campuses have failed to meet these regulations. Trustee Mahoney requested information about those that have not met these regulations.

Ms. Wilda responded that the University would implement a PeopleSoft fixed assets module, which will perfect the inventory records and assist in tracking our assets.

There was a brief discussion about the Sarbanes-Oxley Act. Due to the amount of Federal funding received by the University it was recommended that management evaluate the University's current code of conduct in identifying areas for improvement and that the University consider having key departmental business managers and senior administrators confirm the accuracy of data that is transmitted to the President and this Committee in the form of financial statements.

Trustee Mahoney requested that this issue continue to be monitored and updated; Chair Dubilo emphasized that he will stay on top of it and that this issue will return to the Committee for further review.

Chair Dubilo and Trustee Mahoney noted the success of this year's Management Letter.

Mr. Harrison reported on the remaining audits and provided an update of audits in progress. Some of the highlights included: the State Audit Office's review of the Treasurer's Office has ended and we are awaiting a final report; the State Audit Office is also performing a follow-up inquiry to the results of the UMASS Amherst bookstore privatization.

Mr. Harrison also mentioned the informational item, the National Association of College and University Business Officers Advisory Report. Mr. Harrison believes the University is in good standing as far as the Sarbanes-Oxley Act with the recently approved Audit Charter.

It was moved, seconded and

VOTED: To recommend that the Board accept the following Audit Reports:

1. FY2003 University Management Letter (Doc. T04-019)
2. Office of Student Financial Assistance Report (Doc. T04-017)
3. A-133 Audit Report (Doc. T04-018)
4. WUMB-FM Radio Financial Statements and Supplementary Information and Communication Letter (Doc. T04-004)
5. WFCR-FM & the Friends of WFCR, Inc. Combined Financial Statements, WFCR-FM Management Letter and Communication Letter (Doc. T04-002)
6. Purchase Credit Card Program Review, UMASS Boston, Dartmouth and Lowell (Doc. T04-001)

7. Intercollegiate Athletic Department, Statement of Revenues and Expenditures (Doc. T04-015)
8. Report on the Minuteman Court Club and UMASS Athletic Sports Activity Fund (Doc. T04-016)
9. Audit Activity Report (Doc. T04-005)

The next item was **FY2003 Financial Report**. Ms. Wilda presented several highlights from the report: the University's combined net assets increased $108.3 million from $1.12 billion in FY2002 to $1.23 billion in FY03 due to increases in tuition and fee rates, costs cutting because of anticipated budget cuts, increases in building construction with funds from capital gifts and grants and contracts and a $30.8 million payment from UMass Memorial Health Center and increases in manufacturing net operating income from the operations of the Massachusetts Biologics Lab.

It was moved, seconded and

VOTED: To recommend that the Board accept the following report:

To approve the FY2003 Financial Report as contained in Doc. T04-014.

The next item was **FY2005 Student Charges**. Mr. O'Riordan reported that the University has hope that the state budget situation has stabilized to the point where dramatic fee increases are unnecessary and a return to a policy of holding fee increases to no more than the rate of inflation might be in order.

Mr. O'Riordan reported that no increase in undergraduate resident and non-resident tuition rates are proposed for FY05 and proceeded to break down the exact action the Committee is being asked to vote on today. President Wilson stated the University's goal to provide qualifying students with financial aid.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

In accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve tuition at the following maximum rates for the Amherst, Boston, Dartmouth and Lowell campuses for academic year 2004-2005:

Tuition	Amherst	Boston	Dartmouth	Lowell
Undergraduate (resident)	**$1,714**	**$1,714**	**$1,417**	**$1,454**
Undergraduate (non-resident)	$9,937	$9,758	$8,099	$8,567
Graduate (resident)	$2,640	$2,590	$2,071	$2,183
Graduate (non-resident)	$9,937	$9,758	$8,099	$8,567

And further, in accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve the following maximum mandatory fee rates for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2004-2005:

Total Mandatory Fees (Curriculum & Other Mandatory Charges)	Amherst	Boston	Dartmouth	Lowell	
Undergraduate (resident)	**$7,294**	**$6,310**	**$6,385**	**$6,437**	
Undergraduate (non-resident)	$7,924	$8,999	$9,203	$9,857	
Graduate (resident)	$6,639	$6,322	$6,868	$5,811	*
Graduate (non-resident)	$7,544	$9,011	$9,203	$8,297	*

*Per 9 credit load

And further, in accordance with Policy T92-031, Appendix E, to authorize the President to approve, no later than April 9th, 2004, the individual rates for mandatory charges, providing that total mandatory student charges shall not exceed the total rates as outlined below for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2004-2005:

Total Mandatory Student Charges	Amherst	Boston	Dartmouth	Lowell
Undergraduate (resident)	**$9,008**	**$8,023**	**$7,802**	**$7,891**
Undergraduate (non-resident)	$17,861	$18,757	$17,302	$18,424
Graduate (resident)	$9,279	$8,912	$8,939	$7,994
Graduate (non-resident)	$17,481	$18,769	$17,302	$16,864

And further, in accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve the following tuition and maximum mandatory fee rates for the Worcester campus for academic year 2004-2005:

Worcester	Tuition	Mandatory Fees	Total Student Charges
Medical School (resident)	$8,352	$5,653	$14,005
Ph.D./MD (resident)	$2,640	$20,626	$23,266
Ph.D./MD Years 1-2 (non-resident)	$9,856	$35,626	$45,482
Ph.D./MD Years 3+ (non-resident)	$9,856	$25,770	$35,626
Graduate School of Nursing (resident)	$2,640	$5,653	$8,293
Graduate School of Nursing (non-resident)	$9,856	$5,653	$15,509
Grad. School of Biomedical Science (resident)	$2,640	$3,942	$6,582
Grad. School of Biomedical Science(non-resident)	$9,856	$3,942	$13,798

And further, in accordance with Section 1A of Chapter 75 of the General Laws and T92-031 (Appendix E), to authorize the President to approve, no later than April 9, 2004, final student housing rent and food service charges providing that total charge to undergraduate Massachusetts resident students shall not exceed the average rates as outlined below for academic year 2004- 2005:

Average Student Housing Rent & Food Service Charges (includes residential telecommunication charge)	
Amherst	$6,189
Dartmouth	$7,740
Lowell	$6,011

And further, to authorize the President to approve, no later than April 9, 2004, the full schedule of rent and food service charges for all other classifications of students, room options and meal plans for academic year 2004-2005.

> And further, to authorize the President to approve, no later than April 9, 2004, individual fee rates for other student fees and student fee/revenue based operations charges not already approved by the Board for academic year 2004-2005. (Doc. T04-021)

Chair Dubilo then asked for a motion to go into **Executive Session** to discuss the **Leasing of Real Property** and announced that the Committee would resume in open session in approximately twenty minutes.

It was moved, seconded and

VOTED: To enter Executive Session to discuss the **Leasing of Real Property**.

Chair Dubilo voted for the motion as did Trustees Mahoney, Marcalo and O'Shea. The time was 9:40 a.m. Chair Dubilo then read a statement excusing himself from the Session due to a possible conflict of interest.

At 10:00 a.m. the Committee returns to Open Session. It is then moved, seconded and

VOTED: To recommend that the Board take the following action:

> To amend the University of Massachusetts Five-Year Capital Plan as contained in document T03-046 by adding the Dartmouth Student Housing Project. The total project cost of the facility is estimated to be $80,000,000.00.
>
> And further,
>
> That the Board of Trustees authorizes the President or his designee to enter into on behalf of the University an agreement or series of agreements with an organization, consistent with the provisions of St. 1999, c. 127, § 260, to design, finance, build and manage a student housing project on the Dartmouth Campus, the schedule for which may include a multi-year phased construction schedule. The President or his designee is further authorized to execute any and all documents, including but not limited to those assigning or transferring rights and obligations, as the President deems necessary or desirable for accomplishing the project.
>
> The President or his designee is further authorized, on behalf of the University, to request the University of Massachusetts Building Authority or any other tax-exempt bond issuing authority to provide any assistance the President deems necessary or desirable to effectuate the project.

> This vote is intended as the expression of the University's official intent under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph (c) or 1(b) above. (T03-046, as amended)

Chair Dubilo returns to the meeting.

The next item was **Amendments to Worcester Campus Intellectual Property Policy**. Chancellor Lazare reported that the amendments will provide limitations on the UMASS Biologics Laboratory investigators to their sharing in licensing revenues to the applied research programs conducted by MBL and fairly share the Bayh-Dole incentives with Medical School researchers when the best value for an intellectual property is received with up front equity participation.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To amend Doc. T96-040 as approved on April 11, 1996 by the Board of Trustees for the University of Massachusetts Worcester, as amended by vote of said Board on May 5, 1999, by (1) modifying the second bullet under Section III.G.1.b; (2) adding a new Section III.G.1.c.; (3) replacing the introductory paragraph for Section III.G.2.; (4) replacing Section III.G.2.b.; (5) adding new Sections III.G.2.c., III.G.2.d, and III.G.2.e; and (6) modifying Section I.D, as follows:

III.G.1.b.· Thirty percent (30%) to the inventor(s) or creator(s), except to the extent the revenue from Intellectual Property is derived from University of Massachusetts Biologics Laboratory projects. In the case of multiple inventors or creators, their shares will be distributed as they unanimously agree at the time of the invention disclosure. If the inventors or creators cannot agree on the distribution between (among) them, their shares will be distributed in equal portions.

III.G.1.c. Notwithstanding the other provisions of this policy, unless the Chancellor with the approval of the President specifically determines otherwise or as required by law, employees of the University of Massachusetts Biologics Laboratory, and other employees of the University working on projects funded by and in collaboration with said

Biologics Laboratory, shall not receive an inventor(s)/creator(s) share distribution of non-equity licensing revenue; provided further, that all such revenue that would have gone to said inventor(s) or creator(s) shall go instead to said Biologics Laboratory.

III.G.2. Acceptance of equity -- The University may accept an equity interest in a company; provided that before the CVIP agrees to accept equity, it must receive the approval of the Vice Chancellor for Research, the Vice President for Economic Development, and the University Treasurer. The equity received by the University in connection with the commercialization of Intellectual Property will be held until liquidation, unless otherwise distributed pursuant to Section III.G.2.d or III.G.2.e below, with the proceeds distributed as follows:

III.G.2.b. The remaining proceeds from equity liquidation will be distributed as follows:

- Thirty percent (30%) to the inventor(s) or creator(s) except to the extent the equity is consideration for the licensing of Intellectual Property that is derived from University of Massachusetts Biologics Laboratory projects. In the case of multiple inventors or creators, their shares will be distributed as they unanimously agree at the time of the invention disclosure. If the inventors or creators cannot agree on the distribution between (among) them, their shares will be distributed in equal portions.
- Fifteen percent (15%) for endowment in the department or program of the inventor(s) or creator(s).
- Fifty-five percent (55%) to the campus for endowment or development of research or scholarship, as determined by the Chancellor.

If the inventor(s)/creator(s) share has been distributed directly to the inventor(s) or creator(s) pursuant to Section III.G.2.d, all of the remaining proceeds from equity liquidation will be distributed between the department or program and the campus in the relative proportions of this Section.

III.G.2.c. Notwithstanding the other provisions of this policy, unless the Chancellor with the approval of the President specifically determines otherwise or as required by law, employees of the University of Massachusetts Biologics Laboratory, and other employees of the University working on projects funded by and in collaboration with said Biologics Laboratory, shall not receive an inventor(s)/creator(s) share

distribution of equity licensing revenue; provided further, that all such revenue that would have gone to said inventors shall go instead to said Biologics Laboratory.

III.G.2.d. When the University accepts equity in a company as consideration for a technology licensing transaction, the University, taking into account any legal restrictions and the wishes of each inventor or creator involved, shall:

- Arrange for the inventor(s)/creator(s) to receive his or her share of equity directly from the company upon execution of the relevant agreement rather than upon liquidation pursuant to paragraph III.G.2.b. above or

- Take all equity, including the inventor(s)/creator(s) share, in the name of the University, in which case the Treasurer will make decisions regarding equity disposition based upon sound business judgment and information available to investors and will coordinate with the appropriate University officials if necessary; the inventor(s)/creator(s)' sole right being receipt of the inventor(s)/creator(s) share of such equity or its cash equivalent at such time and in such form as the Treasurer shall deem appropriate. At the determination of the Treasurer, equity may also be held on behalf of the University by the University of Massachusetts Foundation, Inc., or another outside investment advisor to minimize potential institutional conflicts of interest; provided that the interests of the inventor(s)/creator(s) provided for in this section remain in full force and effect.

III.G.2.e. In each transaction in which the University determines to hold rather than liquidate the equity it has accepted, it will ordinarily, within one year after the University's receipt of such equity in a publicly traded company, or within one year after the time when such equity in a company in which the University has accepted equity becomes eligible to be publicly traded, distribute the inventor(s)/creator(s) share of the equity or its cash proceeds as determined by the University consistent with the formula provided for in this policy.

I.D. CVIP – The University Office of Commercial Ventures and intellectual Property, which has primary responsibility for administering the development and commercialization of Intellectual Property through licensing or other arrangements. CVIP may also be referred to as the Office of Technology Management or OTM. (Doc. T96-040, as amended)

The next item was **Amendment to University Capital Plan, Worcester Medical Office Building Project.** Chancellor Lazare reported that the Medical School is requesting an amendment to the Capital Plan to include $20 million for a medical office building at the site of the new parking facility. Campus operating funds and UMass Memorial lease payments for use of the space will fund the program.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To amend the University of Massachusetts Five-Year Capital Plan as contained in Doc. T03-046 by adding the Worcester Medical Office Building project. The total project cost of the facility is estimated to be $20,000,000. (Doc. T03-046, Addendum 1)

The next item was **Amendment to Medical Education Trust Fund Statement of Trust, UMASS Worcester**. Deputy Chancellor Stanton reported that this revision would allow the Worcester campus to utilize an existing revenue based trust fund to manage the finances by removing old language. The revised trust fund will provide programs in professional continuing education to physicians, nurses and other health professionals.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To amend Doc. T77-066 by striking the last sentence of the first paragraph.

The next item was **Amendment to Amherst Capital Plan and Other Action**. Vice Chancellor Hatch reported that the Amherst campus is requesting an amendment to the Capital Plan by adding a student housing project estimated to cost $85,000,000.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To amend the University of Massachusetts Five-Year Capital Plan as contained in Doc. T03-046 by adding the Amherst Student Housing project. The total project cost of the facility is estimated to be $85,000,000.

And further,

That the University reasonably expects to incur debt to reimburse expenditures, including expenditures made within one year from the date of this vote, temporarily advanced from internal funds or internal loans for the design and construction of student housing at the Amherst campus, the maximum principal amount of debt expected to be issued for such project, including for reimbursement purposes, being $85,000,000.

And further,

WHEREAS, the University of Massachusetts Building Authority (the Building Authority) was created by Chapter 773 of the Acts of 1960 of the Commonwealth of Massachusetts (the Commonwealth) (said Chapter 773, as amended, being hereinafter called the Enabling Act) as a body politic and corporate and a public instrumentally of the Commonwealth;

WHEREAS, the Building Authority was created by the Enabling Act for the general purposes of aiding and contributing to the performance of the educational and other purposes of the University of Massachusetts (the University) by providing dormitories, dining commons and other buildings and structures for the use of the University, its students, staff and their dependents and for lease to or use by an organization or association, in any form, of students or others the activities of which are a part of the activities at the University and subject to regulation by the Board of Trustees of the University (the Trustees), a research, foundation or other research organization the operation of which in conjunction with the University is approved by the Trustees or other entity and activities of which are approved by the Trustees as furthering the purposes of the University;

WHEREAS, the Building Authority is authorized by the Enabling Act, among other things, (a) To construct buildings or structures and to acquire, add to, alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure, in each case upon written request made by authority of the Trustees; and to provide and install furnishings, furniture, machinery, equipment, facilities, approaches, driveways, walkways, parking areas, planting and landscaping in or for or related to any such building or structure; provided that such approaches, driveways, parking areas, planting and landscaping be approved by authority of the Trustees; (b) To borrow money from time to time to achieve any one or more of its corporate purposes and to refund obligations earlier incurred for any such purpose and for refunding, and to issue and sell its revenue bonds and notes therefore, payable solely from its revenues;

WHEREAS, The Massachusetts Health and Educational Facilities Authority (HEFA) or the Massachusetts Development Finance Agency (MDFA) in the judgment of the President provides a suitable alternative to financing projects to effectuate the projects in the Capital Plan;

WHEREAS, the Treasurer is authorized to make expenditures for said Capital Plan from non-appropriated funds, which expenditures are to be reimbursed from the proceeds of financing issued through the Authority, HEFA or MDFA;

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that one or more of the aforementioned Authorities or Agencies initiate the projects described by the following:

NOW THEREFORE, BE IT RESOLVED THAT:

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of any or all of the Authorities or Agencies listed above that such Authorities or Agencies initiate:

(a) Any or all of the projects set forth in the FY2004 Five-Year Capital Plan for the University Doc. T03-046, as amended as long as the estimated total project cost does not exceed the estimated total project cost listed in Doc. T03-046, as amended by more than 20%; and

(b) Any other renovation, repair, remodeling or other work in or upon or respecting any building or structure owned or used by the University or the Building Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of any or all of the Authorities or Agencies in writing from time to time by the President or Vice President and Treasurer of the University, the making of any such request being hereby authorized.

2. The projects to be initiated by the Authorities or Agencies in accordance with the request authorized to be made in Section 1 of this resolution may in the discretion of the Authorities or Agencies be undertaken separately or together for financing purposes.

3. The President of the University and all other officers of the University be and they are and each acting singly is authorized and directed to request the Commissioner of Administration to approve in writing the undertaking by the Building Authority of the projects a request for which is hereby authorized and to do such other things and to take such other action as to the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

4. This vote is intended as the expression of the University's official intent under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph (c) or 1(b) above.

And further,

The Board of Trustees authorizes the President and the Amherst Campus to enter a ground lease with the University of Massachusetts Foundation or other appropriate 501(c)(3) organization for the purpose of engaging a private firm to design, finance, build and manage a student housing project if the President and the Amherst campus deem said approach necessary or desirable. (Doc. T03-046, as amended)

There being no further business, the meeting was adjourned at 10:10 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE COMMITTEE ON ADMINSTRATION, FINANCE AND AUDIT

Thursday, April 29, 2004; 8:00 a.m.
Board Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Dubilo; Vice Chair Karam; Trustees Brathwaite, McCarthy, Marcalo, and O'Shea

Committee Members Absent: Trustees Giblin, Mahoney, Moes and Rainey

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Chmura, Gray, Julian and Lenhardt; Chancellors Lombardi, Gora, MacCormack and Hogan; Mr. O'Riordan, Budget Director; Vice Chancellors for Administration and Finance Hatch, O'Connor, Zekan and Griffin; Deputy Chancellor Stanton; Mr. Harrison, Director of Auditing; Mr. MacKenzie, Executive Director, Building Authority; Ms. Harrington, Associate Vice President

Faculty Representatives: Professor Buzawa, UMASS Lowell

PricewaterhouseCoopers: Mr. Hanley

Chair Dubilo convened the meeting at 8:03 a.m. and introduced the first item on the agenda for action, **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the January 22, 2004 meeting of the Committee.

The next item on the agenda was the **Chair's Report**. Chair Dubilo noted that the Committee had a full agenda and would review the overall University and campus financial position. The Committee will also hear from the University Auditor; review the Mid-Year Financial Report; and take a number of actions to enhance the University's Capital Program. Chair Dubilo announced that he will recuse himself from the session of the meeting dealing with the actions to enhance the University's Capital Program due to possible conflicts of interest.

Chair Dubilo reported that the Investment SubCommittee approved the transformation of the Investment Portfolio Process to diversify and sustain the Investment Advisor to the University Treasurer.

Trustee McCarthy asked for clarification on the Investment Committee's decision to change the Investment Portfolio Policy. The University has handled the portfolio in-house for a number of years and it was prudent to hire a consultant to work with the advisors on the portfolio.

The next item was the **President's Report**. President Wilson announced that he released a statement in response to yesterday's opinion column in the Massachusetts Daily Collegian which criticized Pat Tillman, a U.S. Soldier who was killed in Afghanistan. A copy of the statement is available upon request.

President Wilson reported that today's Performance Measure System Report will show that the campuses have managed well in spite of the last difficult years. In the Performance Measure System Report the campuses have benchmarked their data against peer institutions.

The next item was the **Vice President's Report**. Vice President Lenhardt reported that a discussion had taken place this week with two rating agencies, Standard & Poors, and Fitch. Both of the agencies will be favorable to the University in terms of their ratings.

Vice President Lenhardt reported that today's discussion would focus on the indicators and financial health of the University and the campuses.

The next item for Discussion was the **FY2003 Financial Ratios Analysis of University Systems**. Vice President Lenhardt reported that the following issues require constant consideration:

- What is the annual operating margin of the University? Is the University operating in a surplus or deficit situation?
- Do we have sufficient liquidity in effect? Is our financial cushion adequate to make sure that in a time of crisis are there enough unrestricted funds available to operate in an effective manner?
- Physical plant condition is a major issue for the University.
- The University's endowment can be a primary motivator and generator of unrestricted and restricted funds.

Challenges include:

- To increase the University's unrestricted revenues which include state appropriation, general student fees, some interest income, and certain administrative funds;

- To continue to raise the University's restricted revenue which include private gifts and grants, federal and state grants and contracts which provide the large margin of excellence for the University;
- To control personnel expenses.

Vice President Lenhardt also reported that opportunities have come out of the Strategic Plans presented by the Chancellors. The University wants to recruit good students and good faculty; expand its research agenda and research dollars; expand online education; and have better facilities.

The next item was **FY2004 and FY2009 Financial Indicators Report – Performance Measurement System Report**. Vice President Lenhardt reported that the Financial Indicators encourage the setting of financial targets for the campuses; identifies performance against peers for benchmarking; provides an objective position of the financial condition; and incorporates into the Performance Measurement System established in 1997. Highlights included:

- The Operating Margin is at 0.5% as audited in FY2003. We anticipate that it will go to 1.5% in FY2009;
- Financial Cushion – the unrestricted revenues available to the University in the event of a crisis situation was at 17.1% in FY2003. The average for peer systems was at 17.7%. Financial Cushion projections for FY2009 are currently at 10.6%;
- Debt Service to Operations – how much funds the University spends on an annual basis to service debt is at 4.1% against a peer average of 4.6%. Debt Service to Operations projections for FY2009 is 4.6%;
- Endowment Per Student is at $3,530 per student with a peer average of $12,000 per student. Endowment Per Student is projected to increase to $4,000 in FY2009.
- Age of Facilities – this new ratio attempts to show the conditions that the University's buildings are in. Currently we are at a ratio of 10.4. Age of Facilities projection for FY2009 is 12.7.

Vice President Lenhardt indicated that campus summaries of the report are available upon request.

The next item was **Amendment to the University Capital Plan, Amherst Health Center, Boston Athletic Facilities, Dartmouth Research Building Extension, Lowell Parking Garage and Worcester Medical Office Building Projects**. Vice President Lenhardt reported that the purpose of this vote is to approve amendments to the Capital Plan.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To amend the University of Massachusetts Five-Year Capital Plan as contained in document T03-046 by adding the following new projects:

Renovation and repairs to Health Center at the Amherst campus. The total project cost of the project is estimated to be $5,500,000.

Renovation and equipping of Locker Rooms, Beacon Fitness Center and Clark Athletic Center at the Boston campus. The total project cost of the project is estimated to be $500,000.

Renovation, equipping and construction of an addition to the Violette Research Building at the Dartmouth campus. The total project cost for the project is estimated to be $11,000,000.

Medical Office Building project at the Worcester campus. The total project cost of the facility is estimated to be $20,000,000.

And further to amend the University of Massachusetts Five-Year Capital Plan as contained in document T03-046 by increasing the total project cost of the Parking Garage project at the Lowell campus from $9,000,000 to $13,000,000. (Doc. T03-046, Addendum 1)

The next item was **University Capital Plan Update, Request for the University of Massachusetts Building Authority to Undertake Certain Capital Projects and Declaration of Official Intent Relative to the Financing and Construction of Student Housing at the Amherst Campus**. Vice President Lenhardt reported that this had previously been voted on but an amendment was necessary to correct the estimated cost of the Amherst campus Dorm Project.

Trustee McCarthy indicated that he did not have a problem with what is being proposed, but had a problem with the last "And Further" section of the vote. He expressed that as the Labor Representative to the Board he wanted the opportunity to inform his constituents of the amendment.

Trustee McCarthy then asked to submit a motion to hold off on the vote. The motion was moved, and not seconded.

The original motion was moved, seconded and

VOTED: To recommend that the Board take the following action:

To further amend the University of Massachusetts Five-Year Capital Plan as contained in Doc. T03-046 by increasing the total project cost of the Amherst Student Housing project from an estimated $85,000,000 to $105,000,000.

And further,

That the University reasonably expects to incur debt to reimburse expenditures, including expenditures made within one year from the date of this vote, temporarily advanced from internal funds or internal loans for the design and construction of student housing at the Amherst campus, the maximum principal amount of debt expected to be issued for such project, including for reimbursement purposes, being $105,000,000.

And further,

WHEREAS, the University of Massachusetts Building Authority (the Building Authority) was created by Chapter 773 of the Acts of 1960 of the Commonwealth of Massachusetts (the Commonwealth) (said Chapter 773, as amended, being hereinafter called the Enabling Act) as a body politic and corporate and a public instrumentally of the Commonwealth;

WHEREAS, the Building Authority was created by the Enabling Act for the general purposes of aiding and contributing to the performance of the educational and other purposes of the University of Massachusetts (the University) by providing dormitories, dining commons and other buildings and structures for the use of the University, its students, staff and their dependents and for lease to or use by an organization or association, in any form, of students or others the activities of which are a part of the activities at the University and subject to regulation by the Board of Trustees of the University (the Trustees), a research, foundation or other research organization the operation of which in conjunction with the University is approved by the Trustees or other entity and activities of which are approved by the Trustees as furthering the purposes of the University;

WHEREAS, the Building Authority is authorized by the Enabling Act, among other things, (a) To construct buildings or structures and to acquire, add to, alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure, in each case upon written request made by authority of the Trustees; and to provide and install furnishings, furniture, machinery, equipment, facilities, approaches, driveways, walkways,

parking areas, planting and landscaping in or for or related to any such building or structure; provided that such approaches, driveways, parking areas, planting and landscaping be approved by authority of the Trustees; (b) To borrow money from time to time to achieve any one or more of its corporate purposes and to refund obligations earlier incurred for any such purpose and for refunding, and to issue and sell its revenue bonds and notes therefore, payable solely from its revenues;

WHEREAS, The Massachusetts Health and Educational Facilities Authority (HEFA) or the Massachusetts Development Finance Agency (MDFA) in the judgment of the President provides a suitable alternative to financing projects to effectuate the projects in the Capital Plan;

WHEREAS, the Treasurer is authorized to make expenditures for said Capital Plan from non-appropriated funds, which expenditures are to be reimbursed from the proceeds of financing issued through the Authority, HEFA or MDFA;

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that one or more of the aforementioned Authorities or Agencies initiate the projects described by the following:

NOW THEREFORE, BE IT RESOLVED THAT,

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of any or all of the Authorities or Agencies listed above that such Authorities or Agencies initiate:

(a) Any or all of the projects set forth in the FY2004 Five-Year Capital Plan for the University Doc. T03-046, as amended as long as the estimated total project cost does not exceed the estimated total project cost listed in Doc. T03-046, as amended by more than 20%; and

(b) Any other construction of or respecting or renovation, repair, remodeling or other work in or upon or respecting any building or structure owned or used or to be owned or used by the University or the Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of the Authority in writing from time to time by the President of the University, the Executive Vice President of the University

or the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, the making of any such request being hereby authorized.

2. The projects to be initiated by the Authorities or Agencies in accordance with the request authorized to be made in Section 1 of this resolution may in the discretion of the Authorities or Agencies be undertaken separately or together for financing purposes.

3. The President of the University and all other officers of the University be and they are and each acting singly is authorized and directed to request the Commissioner of Administration to approve in writing the undertaking by the Building Authority of the projects a request for which is hereby authorized and to do such other things and to take such other action as to the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

4. This vote is intended as the expression of the University s official intent under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph (c) or 1(b) above.

And further,

The Board of Trustees authorizes the President and the Amherst Campus to enter a ground lease with the University of Massachusetts Foundation or other appropriate 501(c)(3) organization for the purpose of engaging a private firm to design, finance, build and manage a student housing project if the President and the Amherst campus deem said approach necessary or desirable. (Doc. T03-046, as amended)

Trustee McCarthy voted against the motion.

The next item was **Authorization for the Use of University Property by the Department of Marine Fisheries (DMF) for the Construction, Operation and Maintenance of a Building for the Department of Marine Fisheries and the Marine Fisheries Institute (MFI); UMASS Dartmouth.** Vice President Lenhardt reported that the purpose of this vote is to give the Dartmouth campus the authority to enter into an agreement with the State Department of Marine

Fisheries to construct, operate, and maintain a building for the Department of Marine Fisheries and the Marine Fisheries Institute.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> That the Board of Trustees approves and authorizes the use of University property by the Department of Marine Fisheries (DMF) for the construction, operation and maintenance of a building for the Department of Marine Fisheries and the Marine Fisheries Institute (MFI). Said property is located at the School of Marine Science and Technology (SMAST) site in New Bedford. The building will be paid for and used by DMF. No University funds will be provided for the construction or operation of the facility. If the facility ceases to be used by DMF for the stated purposes the facility shall revert in its entirety to UMD with exclusive right to reassign its use. (Doc. T04-041)

The next item was **Authorization to Purchase Five Fraternity Houses Adjacent to the University of Massachusetts Amherst Campus**. Chancellor Lombardi reported that the Amherst campus has been in conversation with the property owners, and is in negotiations to purchase the property.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To authorize the Amherst campus to purchase five fraternity houses adjacent to the campus at a cost to be negotiated by the Commonwealth of Massachusetts Division of Capital Asset Management and approved by the President of the University or his designee. (Doc. T04-045)

The next item was **Audit Report**. Mr. Harrison then reported on the Activity Report. Highlights included:

- A draft internal audit report of the UMASS Lowell campus research area has been provided to President Wilson for further discussion and planning;
- A Request For Bid seeking proposals from qualified independent audit firms has been issued. The goal is to establish a pre-qualified vendor list interested in providing internal audit support services;
- All five campuses and the President's Office have reissued the University Fraud Policy to employees. The Principles of Employee Conduct and information about the Conflicts of Interest Law have also been issued. The policies will be issued annually;

- At the Committee's request, we regularly discuss the Sarbanes-Oxley Act and have met with Paul Hanley from PricewaterhouseCoopers to discuss NACUBO recommendations. Any suggestions for implementation of additional sections of the Act will be presented to the Committee Chair;
- As a result of the recently completed internal audit on the University's Procard programs, the Purchasing Council Group has issued a Request For Bid for banking services for the University-wide purchasing card program. The Amherst campus Procurement Office will lead the effort;
- The State Audit Office completed its ten month review of the University Treasurer's Office. A draft report of the review is expected by May, and a copy of any published report will be sent to the Board;
- The State Audit Office completed work on the Amherst campus bookstore privatization dealing with the Pacheco Law;
- In July, Paul Hanley from PricewaterhouseCoopers will present the FY2004 Financial Audit Service Plan to the Board.

It was moved, seconded and

VOTED: To recommend that the Board accept the following Audit Report:

1. University Auditing Activity Report (Doc. T04-027)

The next information item was the **FY2004 Mid-Year Report**. Vice President Lenhardt reported that this report assesses the University's financial situation mid-year. He also reported that fiscal offices on the campuses are now using the PeopleSoft Financial System to effectively keep track of budgets and actuals, and financial reporting.

At 9:03 a.m. Chair Dubilo recused himself from the meeting due to possible conflicts of interest.

Vice Chair Karam introduced the next item for action **Authorization to Transfer Endowment Funds to UMASS Foundation**.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

WHEREAS, The University of Massachusetts Foundation has been established to assist the University of Massachusetts in private fund raising and the management of endowment funds; and

WHEREAS, The University of Massachusetts and the Foundation will enter into an agreement to assure that University funds are separately accounted for and held as agency funds;

NOW, THEREFORE, BE IT RESOLVED THAT,

The University of Massachusetts Trustees authorizes the transfer of endowment funds of the University of Massachusetts to the University of Massachusetts Foundation and that an appropriate agreement for such purposes shall be executed between the parties. (Doc. T04-043)

Vice President Lenhardt introduced Mr. MacKenzie, Executive Director of the Building Authority. Mr. MacKenzie referred the Committee to a two page document summarizing the next five votes which are related to effectuating a bond issue.

The next item was **Resolution of the Board of Trustees of the University of Massachusetts Authorizing Requests for the Initiation of Projects and Other Actions**. Vice President Lenhardt reported that the purpose of this vote is to approve the projects described in the Capital Plan.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

WHEREAS,The University of Massachusetts Building Authority (the "Authority") is authorized by Chapter 773 of the Acts of 1960, as amended (the "Enabling Act"), among other things, to provide dormitories, dining commons and other buildings and structures for the use of the University of Massachusetts (the "University"), its students, staff and their dependents and certain organizations related to the University, to alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure, to provide and install furnishings, furniture, machinery, equipment and facilities in or for or related to any such building or structure and to initiate projects for such purposes upon written request made by authority of the Board of Trustees (the "Trustees") of the University and upon written approval from the Commissioner of Administration; and

WHEREAS,In the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that the Authority initiate the projects described below;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, are hereby authorized in the name and on behalf of the Trustees to make a written request of the Authority that the Authority initiate the following projects:

(a) (i) the renovation and equipping of and the construction and equipping of an addition to the Violette Research Building at the Dartmouth campus of the University to provide facilities for a botulinum research center and other purposes deemed appropriate by the University and (ii) the renovation and equipping of the men's and women's locker rooms in the Beacon Fitness Center and the Clark Athletic Center at the Boston campus of the University; and (iii) the renovation and equipping of the Health Center at the Amherst campus of the University; and

(b) any other construction of or respecting or renovation, repair, remodeling or other work in or upon or respecting any building or structure owned or used or to be owned or used by the University or the Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of the Authority in writing from time to time by the President of the University, the Executive Vice President of the University or the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, the making of any such request being hereby authorized.

2. The Authority is hereby requested to provide additional financing for the construction of the parking garage at the Lowell campus of the University originally financed by the Authority's Project Revenue Bonds, Senior Series 2003-1, and the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, are hereby authorized to make a written request of the Authority that the Authority issue its bonds to provide such additional financing in an amount (including the costs of issuance of such bonds and capitalized interest, if any) not to exceed the amount set forth in such request (and such additional financing shall not exceed the amount set forth in such request).

3. Any of the projects to be initiated by the Authority in accordance with any request authorized to be made in Section 1 of this resolution may in the discretion of the Authority be undertaken separately or together for financing purposes, and the additional financing authorized in Section 2 of this resolution may in the discretion of the Authority be provided separately or together with the provision of financing for any one or more such projects or any one or more projects a written request for the initiation of which by the Authority has been authorized by the Trustees other than by this resolution (or by any combination of any of the projects referred to above in this sentence).

4. The President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized to request the Commissioner of Administration from time to time to approve in writing the undertaking by the Authority of any of the projects a request for which is authorized in Section 1 of this resolution and to do such other things and to take such other action as the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

5. The authorization in this resolution of a written request of the Authority that the Authority initiate the project described in clause (a)(ii) of Section 1 of this resolution is not intended to limit the generality of the written request authorized in Section 1(a) of the vote adopted by the Trustees on February 4, 2004 identified as "ACTION ITEM #b, 5: Amendment to Amherst Capital Plan and Other Actions" and as "DOC. & VOTE I.D. #: T03-046, as amended."

6. This resolution is intended as the expression of the University's official intent under Section 1.150-2(d)(1) and (e) of the regulations promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under the Enabling Act for financing and refinancing the cost of any or all of the projects described in Section 1 or Section 2 of this resolution. (Doc. T04-036)

The next item was **Resolution of the Board of Trustees of the University of Massachusetts Approving Refunding**. Vice President Lenhardt reported that the purpose of this vote is to allow the Building Authority to refinance some of its existing debts and to receive present value savings and free up some reserve funds.

Mr. MacKenzie reported that in addition to interest rate savings, the Building Authority would like to apply for Commonwealth Guarantee for some of the projects. Another benefit is something called the "Section 10 Reserve" which is required for all projects that are Commonwealth Guaranteed.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

RESOLVED:That the issuance by the University of Massachusetts Building Authority (the "Authority") of bonds (in one or more series) or notes (in one or more series) for the purpose of refunding any or all of the outstanding indebtedness of the Authority, including indebtedness of the University of Lowell Building Authority and indebtedness of the Southeastern Massachusetts University Building Authority, is hereby approved, and the President of the University of Massachusetts (the "University"), the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized in the name and on behalf of the Trustees of the University (the "Trustees") to approve in writing the issuance by the Authority of bonds (in one or more series) for such purpose or notes (in one or more series) for such purpose.

That the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized to do all other things and to take all such other action as the officer or officers so acting shall, as conclusively evidenced by the taking of the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized, including without limitation the execution, sealing and delivery of contracts (which are hereby authorized) on behalf of the Commonwealth or the Trustees (including without limitation contracts entered into by the Commonwealth, acting by and through the Trustees, with the Authority (to which the Trustees may but need not be a party) for state financial assistance in the form of a guaranty by the Commonwealth of bonds (in one or more series) or notes (in one or more series) of the Authority, all as provided in and subject to the Enabling Act), the execution of any such contract by the signer thereof on behalf of the Commonwealth and the Trustees conclusively to evidence that such contract is authorized by this Resolution.

That in addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, the Vice President for Management and Fiscal Affairs and Treasurer of the University and each other officer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-037)

The next item was **Resolution of the Board of Trustees of the University of Massachusetts Approving a Contract for Management and Services 2004 Projects and Authorizing Other Action**. Vice President Lenhardt reported that this is a standard form requirement for a contract based between the Building Authority and the University over Management Services Agreement.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

RESOLVED: That the making of a Contract for Management and Services 2004 Projects among The Commonwealth of Massachusetts (the "Commonwealth"), acting by and through the Board of Trustees (the "Trustees") of the University of Massachusetts (the "University"), the Trustees and University of Massachusetts Building Authority (the "Authority") pursuant to Chapter 773 of the Acts of 1960, as amended (the "Enabling Act"), and pertaining to the undertaking by the Authority of projects for which requests have been authorized by the Trustees, be and the same hereby is authorized; that the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, be and hereby are authorized, in the name and on behalf of the Commonwealth and the Trustees, to sign, seal with common seal of the University and of the Trustees, acknowledge if deemed advisable and deliver a Contract for Management and Services 2004 Projects substantially in the form

presented to this meeting, subject to such changes, insertions and omissions (including changes in the title of such Contract to reflect any change in the projects to which such Contract pertains) as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; that the form of such Contract for Management and Services 2004 Projects presented to this meeting and each term, condition and provision therein contained be and the same hereby are approved, subject to such changes, insertions and omissions as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; and that the execution of such Contract for Management and Services 2004 Projects by the signer of such Contract on behalf of the Commonwealth and the Trustees shall be conclusive evidence (a) of the approval by such signer of any such changes, insertions or omissions and the authorization of the same and (b) that the form of Contract for Management and Services 2004 Projects so executed (with approved changes, insertions and omissions, if any) is as hereby authorized and approved.

That each of the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, and the Vice President for Management and Fiscal Affairs and Treasurer of the University, acting alone, and each other officer of the University, acting alone, are hereby authorized to do such other things and to take such other actions as the officer or officers so acting shall, as conclusively evidenced by their doing any of the things or taking any of the actions hereby authorized, deem necessary or desirable to be done or taken to carry out the Contract for Management and Services 2004 Projects authorized above and to carry out any project (or the financing thereof) a request to initiate which has been made to the Authority by the authority of the Trustees, including without limitation the execution, sealing and delivery of contracts (which are hereby authorized) on behalf of the Commonwealth or the Trustees (including without limitation contracts entered into by the Commonwealth, acting by and through the Trustees, with the Authority (to which the Trustees may but need not be a party) for state financial assistance in the form of a guaranty by the Commonwealth of bonds (in one or more series) or notes (in one or more series) of the Authority, all as provided in and subject to the Enabling Act), the execution of any such contract by the signer thereof on behalf of the Commonwealth and the Trustees conclusively to evidence that such contract is authorized by this Resolution.

> That in addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, the Vice President for Management and Fiscal Affairs and Treasurer of the University and each other officer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-038)

Trustee McCarthy voted against the motion.

The next item was **Resolution of the Board of Trustees of the University of Massachusetts Approving the Contract for Financial Assistance, Management and Services 2004-A Projects and Authorizing the Signing of the Guaranty on Certain Bonds Issued by The University of Massachusetts Building Authority**. Vice President Lenhardt reported that this is an additional issue on contracts, and a method by which the Board of Trustees authorize the Building Authority's use of the State Guarantee.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

RESOLVED: That the making of a Contract for Financial Assistance, Management and Services 2004-A Projects among The Commonwealth of Massachusetts (the "Commonwealth"), acting by and through the Board of Trustees (the "Trustees") of the University of Massachusetts (the "University"), the Trustees and University of Massachusetts Building Authority (the "Authority") pursuant to Chapter 773 of the Acts of 1960, as amended, and pertaining to the undertaking by the Authority of projects for which requests have been authorized by the Trustees, be and the same hereby is authorized; that the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, be and hereby are authorized, in the name and on behalf of the Commonwealth and the

Trustees, to sign, seal with common seal of the University and of the Trustees, acknowledge if deemed advisable and deliver a Contract for Financial Assistance, Management and Services 2004-A Projects substantially in the form presented to this meeting, subject to such changes, insertions and omissions (including changes in the title of or other changes in such Contract to reflect any change in the projects to which such Contract pertains, the issuance of bonds not guaranteed by the Commonwealth or the issuance of refunding bonds) as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; that the form of such Contract for Financial Assistance, Management and Services 2004-A Projects presented to this meeting and each term, condition and provision therein contained be and the same hereby are approved, subject to such changes, insertions and omissions as may be approved by the signer of such Contract on behalf of the Commonwealth and the Trustees; and that the execution of such Contract for Financial Assistance, Management and Services 2004-A Projects by the signer of such Contract on behalf of the Commonwealth and the Trustees shall be conclusive evidence (a) of the approval by such signer of any such changes, insertions or omissions and the authorization of the same and (b) that the form of Contract for Financial Assistance, Management and Services 2004-A Projects so executed (with approved changes, insertions and omissions, if any) is as hereby authorized and approved.

That the Chair and Vice Chair of the Trustees, each acting alone, be and hereby are authorized, in the name and on behalf of the Commonwealth, to sign by manual or facsimile signature the form of guaranty provided in the Contract for Financial Assistance, Management and Services 2004-A Projects authorized above on each bond having the benefit of such guaranty as provided in such Contract; in case any officer of the Trustees whose signature or facsimile signature shall appear on any such bond shall cease to be such officer before the delivery thereof, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery.

That each of the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, and the Vice President for Management and Fiscal Affairs and Treasurer of the University, acting alone, and each other officer of the University, acting alone, are hereby authorized to do such other things and to take such other actions as the officer or officers so acting shall, as conclusively evidenced by their doing any of the things or taking any of

the actions hereby authorized, deem necessary or desirable to be done or taken to carry out the Contract for Financial Assistance, Management and Services 2004-A Projects authorized above and to carry out any project (or the financing thereof) a request to initiate which has been made to the Authority by the authority of the Trustees, including without limitation the execution, sealing and delivery of contracts (which are hereby authorized) on behalf of the Commonwealth or the Trustees (including without limitation contracts entered into by the Commonwealth, acting by and through the Trustees, with the Authority (to which the Trustees may but need not be a party) for state financial assistance in the form of a guaranty by the Commonwealth of bonds (in one or more series) or notes (in one or more series) of the Authority, all as provided in and subject to the Enabling Act), the execution of any such contract by the signer thereof on behalf of the Commonwealth and the Trustees conclusively to evidence that such contract is authorized by this Resolution.

That in addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-039)

The next item was **Resolution of the Trustees of the University of Massachusetts Authorizing Leases and Amendments to Leases**. Vice President Lenhardt reported that the purpose of this vote is to give authority to the Building Authority to lease land under contract.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

WHEREAS,The University of Massachusetts Building Authority (the "Authority"), created by Chapter 773 of the Acts of 1960 (as amended, the "Enabling Act"), is authorized by the Enabling Act, among other things, to lease from The Commonwealth of Massachusetts (the "Commonwealth") such lands of the Commonwealth, or rights therein, as may be necessary for carrying out the provisions of the Enabling Act;

WHEREAS,The Enabling Act authorizes the Trustees (the "Trustees") of the University of Massachusetts (the "University"), acting in the name and on behalf of the Commonwealth, among other things, to lease to the Authority land owned by the Commonwealth or grant easements, licenses or any other rights or privileges therein to the Authority;

NOW, THEREFORE, BE IT RESOLVED THAT, PURSUANT TO THE ENABLING ACT,

the Authority pursuant to one or more leases (each a "Lease") land owned by the Commonwealth on which will be located each project, if any, to be owned by the Authority and financed in whole or in part by the Authority's Project and Refunding Revenue Bonds, Senior Series 2004-1 or the Authority's Facilities and Refunding Revenue Bonds, Senior Series 2004-A (provided, that if either such series or bonds is not issued for the purpose of refunding, the words "and Refunding" will not be included in the name of such series) and an amendment (each an "Amendment") to any lease previously entered into between the Commonwealth, acting by and through the Trustees, as lessee, and any of the Authority, the University of Lowell Building Authority (or its predecessor, the Lowell Technological Institute Building Authority) or the Southeastern Massachusetts University Building Authority, as lessor.

Each Lease and each lease as amended by an Amendment (each such lease as so amended being an "Amended Lease") shall be for a rent of $1.00 per year, shall be for a term not less than the latest maturity of the bonds of the Authority that financed or refinanced the one or more projects located on the land to which such Lease or Amended Lease pertains and shall have provisions for automatic renewals if the lessor is not then in default thereunder until the ownership of such project The Trustees are authorized, in the name and on behalf of the Commonwealth, to lease to or projects reverts to the Commonwealth as provided in the Enabling Act; provided, that each Lease and Amended Lease may provide that it will terminate whenever the ownership of the project or projects located on the land to

which such Lease or Amended Lease pertains shall revert to the Commonwealth as provided in the Enabling Act. Each Lease, each Amendment and each Amended Lease shall comply with the provisions of the Enabling Act and, subject to such requirement and the foregoing provisions of this Section, shall have such other terms as are approved by the signer of such Lease or such Amendment on behalf of the Trustees and the signer of such Lease or such Amendment on behalf of the Authority, the execution of such Lease or Amendment by the signer on behalf of the Trustees conclusively to evidence the approval by such signer of the terms of such Lease or such Amendment and the related Amended Lease and conclusively to identify such Lease or such Amendment as a Lease or an Amendment authorized by this Resolution, and the execution of such Lease or Amendment by the signer on behalf of the Authority conclusively to evidence the approval by the Authority of the terms of such Lease or such Amendment and the related Amended Lease.

The Chair of the Trustee, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, are hereby authorized, in the name and on behalf of the Commonwealth and the Trustees, to sign, seal with the common seal of the University and the Trustees, acknowledge if deemed advisable and deliver each Lease and each Amendment and, if deemed advisable, record any Lease, Amendment or Amended Lease or a notice of any thereof.

Each of the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, acting alone, and each other officer of the University, acting alone, are hereby authorized to do such other things and to take such other actions as the officer or officers so acting shall, as conclusively evidenced by their doing any of the things or taking any of the actions hereby authorized, deem necessary or desirable to be done or taken to carry out each Lease, Amendment and Amended Lease.

In addition to the authorizations granted by this resolution to the Chair of the Trustees, the Vice Chair of the Trustees, the President of the University, the Executive Vice President of the University, the Vice President for Management and Fiscal Affairs and Treasurer of the University and each other officer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the

> Trustees enabling, hereby delegate to the President of the University, the Executive Vice President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise all powers each officer of the University is authorized by this resolution to do or exercise, such delegation being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable. (Doc. T04-046)

Trustee McCarthy voted against the motion.

President Wilson then thanked Mr. MacKenzie for accepting the position of Executive Director of the UMASS Building Authority.

There being no further business, the meeting adjourned at 9:15 a.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

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MINUTES OF THE MEETING OF THE COMMITTEE ON ADMINSTRATION, FINANCE AND AUDIT

Thursday, July 22, 2004; 8:00 a.m.
Board Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Dubilo; Vice Chair Karam; Trustees Giblin, Labrecque, Mahoney, McCarthy, Murphy, O'Shea, Pham and Rainey (via conference call)

Committee Members Absent: Trustees King, Moes and Moseley

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Chmura, Gray, Julian and Lenhardt; Chancellors Lombardi, Gora, MacCormack, Hogan and Lazare; Interim Chancellor Motley; Vice Chancellors for Administration and Finance Hatch, O'Connor, Zekan and Griffin; Deputy Chancellor Stanton; Mr. Harrison, Director of Auditing; Ms. Harrington, Associate Vice President

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor Schwartz, UMASS Boston

PricewaterhouseCoopers: Mr. Hanley; Ms. Gregory

Chair Dubilo convened the meeting at 8:05 a.m. and introduced the first item on the agenda for action, **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the April 29, 2004 meeting of the Committee.

Chair Dubilo then welcomed the newest members of the Committee: Matthew Murphy, UMASS Amherst, Tuan Pham, UMASS Boston, Matthew Moseley (not in attendance), UMASS Dartmouth, Michael Labrecque, UMASS Lowell and Jeffrey King, UMASS Worcester (not in attendance).

Chair Dubilo then asked for a motion to go into **Executive Session** to consider **Real Estate** issues.

It was moved, seconded and

VOTED: To enter into **Executive Session** for the purpose of considering **Real Estate Issues.**

Chair Dubilo announced that the Committee would reconvene in open session.

Chair Dubilo voted for the motion as did Vice Chair Karam and Trustees Giblin, Labrecque, Robert Mahoney, McCarthy and O'Shea. The time was 8:06 a.m.

At 8:35 a.m. the Committee reconvened in Open Session.

The next item on the agenda was the **Chair's Report**. Chair Dubilo reviewed today's agenda; with regards to the preliminary operating budget for FY05, things have improved from last year due to the improving State economic picture and the efforts of the campuses to generate more revenue.

The next item was the **President's Report**. President Wilson first thanked Chancellor Gora for her service to the University as she leaves for Ball State University. He then introduced Keith Motley as Interim Chancellor who has already established himself as a great leader as Vice Chancellor for Student Affairs.

President Wilson described the past week at which he was a participant at Harvard's New President Orientation which he found very useful. President Wilson believes the University is in a position for growth. We are currently experiencing strong support from the Legislature with a based appropriation increased from $327 million last year to $392 million this year.

The bill for Nantucket has been submitted and we are optimistic it will be approved; this action could provide a $20 million increase in our endowment. The reviews for Chancellors Hogan and Lazare will begin shortly followed by Chancellor Lombardi's review sometime next year. The search for a Chancellor at the Boston campus will begin in the Fall following the appointment of a search committee.

President Wilson announced that John Hoey in the President's Office will begin working at UMASS Dartmouth while continuing to help out in the President's Office. He congratulated Chancellor Lazare for the 26th endowed Chair at the Medical School, the 45th in the system.

The next item was the **Vice President's Report**. Vice President Lenhardt reported on recent cost saving measures including energy conservation and conversion. He thanked the campus staff for the work they've done with the Capital Planning Program. All 30 of our

collective bargaining agreements have expired as of June 30; the negotiation process will continue over the next six months.

The next item for **Discussion** was **FY2005 Preliminary Operating Budget**. Vice President Lenhardt reported that the full report will be presented to the Board during the October/November Board cycle. Some of the preliminary figures include:

·The combined budget shows expenditures and transfers in excess of revenues by $14.3 million. The budgeted deficit represents less than 1% of the total projected University spending for FY05;
·Total FY05 revenues are estimated at $1.716 billion, an increase of $141 million (9%) compared to revenues budgeted for FY04. The largest increases are in student fee revenues;
·Total spending is currently budgeted at $1.731 billion, an increase of 5.7% over the FY04 budgeted amount.

Vice President Lenhardt provided a brief summary of revenue and expenditures projected for 2005 including campus projections. Chair Karam requested a comparison of figures from one year to the next regarding budget figures.

The next item was **FY2005-FY2009 University Capital Plan**. The Committee heard from the Chancellors and the Vice Chancellors about their new capital projects and their plans for FY2005-FY2009.

Vice President Lenhardt reported that the Board is being asked to approve the new projects not on previously approved capital plans and the revised project cost that exceeded 20% of previously approved amounts. The University is going to try to press for a new higher education capital bond bill by the end of the calendar year; we are currently in discussion with the Governor's Office and the Higher Education Commission and plan to ask the state for $592 million.

Some of the highlights of the plan included:

·an assessment of capital needs exceeds $2 billion;
·total estimated spending for FY05-FY09: $1.7 billion;
·deferred maintenance, compliance, repair and replacement of existing infrastructure will use $956 million which is 53% of the plan;
·other expenses include steam lines, electrical systems, roofs, life safety requirements, information technology improvement, student housing, recreation and campus center, parking and academic and research facilities;
·University debt is at $745 million, debt service costs 4.2% of operations.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To approve the University of Massachusetts FY2005 to FY2009 Five Year Capital Plan as contained in Doc. T04-058.

The next item was **FY2005 Allocation of State Funds**. This is a routine item authorizing the President to develop an allocation plan for the FY05 State Budget.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To direct the President to develop an allocation plan for the amount appropriated for the University in Line Item 7100-0200 of the state appropriation act for Fiscal Year 2005, and to notify the Board of Trustees and the House and Senate Committees on Ways and Means of said plan. (Doc. T04-059)

The next item was **Establishment of Endowed Chair, UMASS Worcester**. Chancellor Lazare reported that this Chair is a result of the tragic death of Ali Pierce, the 14 year old daughter of Anna and John Pierce who succumbed to cancer in 1996. The family has worked tirelessly to raise funds for pediatric cancer. In order to preserve the memory of Ali and John Pierce who passed away, the funds will provide support for the Endowed Chair at the Medical School.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws, to establish an endowed chair in pediatric hematology oncology at the University of Massachusetts Worcester to be known as the Ali and John Pierce Chair in Pediatric Hematology Oncology. (Doc. T04-055)

The next item was **Authorization of a Non-Resident Tuition Retention Program and the Establishment of the Non-Resident Tuition Retention Trust Fund, UMASS Amherst**. The FY2005 state budget included a section authorizing a two-year pilot tuition retention program for non-resident students at the Amherst campus. A trust fund account is required to manage the funds in accordance with the University's fiscal policies.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To authorize, in accordance with the provisions of section 242 of Chapter 149 of the Acts of 2004, a pilot program for out of state tuition retention allowing the Amherst campus to retain, in fiscal years 2004 and 2005, all tuition paid by students who are not residents of Massachusetts. Provided that no resident of Massachusetts is denied admission to the Amherst campus as a result of the tuition retention pilot project. The President shall issue guidelines and the Chancellor of the Amherst campus shall develop operating procedures for the administration of the program including the funding of fringe benefits for those employees who are paid from tuition retained funds. The President shall develop a report on the progress of this initiative no later than January 15, 2005 to include the number of out of state students attending the school, the amount of tuition revenue retained under the program, and any programs or initiatives funded with the retained revenue.

And further,

> To establish, in accordance with the provisions of Chapter 75 of the General Laws and section 242 of Chapter 149 of the Acts of 2004, the Non-Resident Tuition Retention Trust Fund for the Amherst campus. All tuition revenues received from non-resident students at the Amherst campus shall be deposited into this fund. Expenses (both direct and indirect) for the support of campus activities and programs shall be paid from this fund. (Doc. T04-060)

The next item was **Establishment of the Marine Operations Revenue Trust Fund, UMASS Boston.** Chancellor Gora reported that marine activities on the Boston campus have grown significantly over the years. Because of its increasing revenue generating potential the Boston campus is requesting approval for a new auxiliary enterprise trust fund account.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To establish, in accordance with the provisions of Chapter 75 of the General Laws, the Marine Operations Revenue Based Trust Fund for the Boston campus. Revenues generated from marine activities will be deposited into this fund. Expenses (both direct and indirect) will be paid from this fund. Fees and charges for various marine services may be established by the Chancellor, and will be reported to the President annually. (Doc. T04-061)

The next item was **Amendments to Statement of Trust, President's Office**. The I-195 Center for Professional Education has been reorganized and incorporated into UMASS OnLine and a new facility has been opened in Shrewsbury. This presents the need to amend the Statement of Trust and rename it the Collaborative Services Center Revenue Based Trust Fund.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To amend the statement of trust established by Trustee Vote T00-017 by renaming the fund the University Collaborative Services Center Revenue Based Trust Fund for the President's Office; and further to amend the statement of trust by striking everything after the words "General Laws" and inserting thereafter the following:
>
> "The University Collaborative Services Center Revenue Based Trust Fund for the President's Office. Expenditures from the Fund shall be used for the costs of operations, management and other activities of the Center and related support provided by the President's Office." (Doc. T00-017)

Vice President Lenhardt reported on the item for **Information**: **FY2003/2004 Financial Aid Report**. The report highlights a view of the financial aid recipient and overall spending activity for FY2003 and FY2004. Financial aid is essential to the University and its students. The FY04 total aid distributed is estimated to be over $292 million.

The next item was **Audit Reports**. Mr. Hanley; Ms. Gregory from PricewaterhouseCoopers reported on the **Annual Audit Plan Report**. The Report included information regarding the levels of communication between PWC and the University and its ongoing assessment of service approach, risk and control, financial reporting and governance.

The Report included important developments affecting the University and Public Higher Education such as:

- the issuance of additional debt through the UMASS Building Authority;
- investments in capital assets;
- maintaining an appropriate operating budget;
- focus on federal regulatory compliance for research institutions;
- the benefits of the PeopleSoft financial reporting system
- the governance practices in the Sarbanes-Oxley Act.

Committee on Administration, Finance and Audit
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Ms. Gregory reported on the "Audit Approach" employed by PWC which includes thorough discussions with management and reviews of management reports. Key financial risks are evaluated; accounting areas are tested including: cash and investments, depreciation for property, plant and equipment, bonds payable, grants and pledges receivable, etc.

The report also included a reporting timetable, fee schedules, and breakdowns of the detailed financial statements and developments in accounting standards. Mr. Hanley concluded the discussion by reiterating the goal to provide the highest level of quality service.

The next item was the **Audit Activity Report**. Mr. Harrison reported on the recent briefing with Trustees, Management and General Counsel to discuss the current state of the Sarbanes-Oxley Act. The University has adopted many of the Act's provisions to improve the University's business practices.

Some of the other recommendations included a separately operating Audit Committee of the Board and the possibility of hiring outside financial expertise to advise the Committee. There was also interest in placing an anonymous, confidential complaint hotline.

Mr. Harrison stated his belief that the University is in a good position with regards to business practices and audit reporting.

It was moved, seconded and

VOTED: To recommend that the Board accept the following Audit Report:

1. PricewaterhouseCoopers Scope of Services and Annual Audit Plan (Doc. T04-056)
2. University Auditing Activity Report (Doc. T04-027)

There being no further business, the meeting was adjourned at 10:45 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE COMMITTEE ON ADMINISTRATION AND FINANCE

Thursday, October 21, 2004; 8:00 a.m.
Board Room
One Beacon Street - 26th Floor
University of Massachusetts
Boston, Massachusetts

Committee Members Present: Chair Dubilo; Vice Chair Rainey; Trustees Karam, King, Labrecque, Mahoney, McCarthy, O'Shea and Pham

Committee Members Absent: Trustees Fey, Moseley and Murphy

Other Trustees: Trustees Austin, Boyle, Kennedy and Sheridan

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Chmura, Julian and Lenhardt; Associate Vice President Harrington; Chancellors Lombardi, Motley, MacCormack, Hogan and Lazare; Mr. O'Riordan, Budget Director; Mr. Marquis, Associate Treasurer; Ms. Wilda, University Controller; Vice Chancellors for Administration and Finance Hatch, O'Connor, Zekan and Griffin; Deputy Chancellor Stanton; Mr. Harrison, Director of Auditing; Mr. MacKenzie, Executive Director, Building Authority

Faculty Representatives: Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor Carter, UMASS Lowell

PricewaterhouseCoopers: Mr. Hanley and Ms. Gregory

Chair Dubilo convened the meeting at 8:04 a.m. The first item on the agenda was **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the July 22, 2004 meeting of the Committee.

The next item on the agenda was the **Chair's Report**. Chair Dubilo welcomed the new Vice Chair to the Committee, Stacey Rainey and announced that the Committee would go into executive session at the end of the meeting to discuss real estate matters and the law school proposal at UMASS Dartmouth.

Chair Dubilo commented that this meeting will focus on the financial picture of the University including the audited financial statement and the current year '05 operating budget.

The University is enhancing its revenues, managing costs and investing in its infrastructure while recruiting and retaining good faculty and students.

Chair Dubilo indicated that there would be a series of votes to affirm various property and endowment activities and that with the establishment of the Trustee Audit Committee certain activities will now go to that committee.

The next item was the **President's Report**. President Wilson first saluted the Red Sox for their entry into the World Series. He reported that the University is headed in the right direction, its appropriation is up and it has been able to stabilize student charges; tuition and fees for in-state undergraduates rose 1.6 percent this year which is a rate lower than inflation.

There will also be a discussion of the law school issue. Chancellor MacCormack will be able to outline the facts about the proposal and its potential financial impact.

Other highlights from President Wilson's report included: financial and management staff members attended a very successful financial symposium last week assuring the PeopleSoft updates on our financial systems would be done right; there had been a successful medical device industry conference highlighting the exciting work of our star faculty members; the classified staff members on the Boston campus have received their wage increases.

The Lowell campus will share a $12.6 million National Science Foundation grant with Northeastern University and the University of New Hampshire to develop the new Center for High Rate Nanomanufacturing. The Boston campus will participate in a program to improve science teaching in the Boston Public Schools. On October 1st, Senator Kennedy and Chancellor Motley joined President Wilson to announce the $12.5 million award.

President Wilson reported that the University's $1.7 billion Five-Year Capital Plan is moving along addressing needs for deferred maintenance, new technology, repairs and adaptations. The University is on track financially and making significant progress toward its goals.

The next item was the **Vice President's Report**. Vice President Lenhardt touched briefly on the Financial Reports that will be discussed today. Of particular note were the campus' efforts to adhere to their financial plans; the focus has been to continue to work with state officials to make sure our capital programs and operating revenues from the Commonwealth are maximized to the greatest extent.

The first item was the **2004 University Financial Report**. Ms. Wilda, University Controller provided some information from a fluctuation analysis between FY03-FY04. The assets from accounts, grants and loans receivable changed by $38 million – the primary component being $27 million from increased program activities in Commonwealth Medicine at UMASS Worcester – the second component is $11 million due to increased levels of business at the Bio Lab.

The cash and securities held by the Trustees increased by $343 million due to new debt by the Building Authority this past year and an increase in the bonds payable of $375 million.

Ms. Wilda reported on the Statements of Revenues, Expenses, and Changes in Net Assets (SRECNA) for the years ended June 30, 2004 and 2003. Tuition and fee revenue increased by $73 million; fee increases contributed to an increase in auxiliary revenue as well. The federal grant and contract revenue increased by $21 million; public service activities increased by $41 million in revenues and $28 million in expenditures due to the addition of new and existing programs at the Worcester Commonwealth Medicine program.

Ms. Wilda continued her report updating the Committee with information about the operating margin, the financial cushion, debt service to operations, endowment per student, current ratio (total current assets, total current liabilities) and age of facilities (accumulated depreciation and depreciation expense).

The age of facilities ratio is a new indicator designed to determine how much is being done to keep the University's capital assets in the best condition possible.

Mr. Hanley and Ms. Gregory from PricewaterhouseCoopers reported on the **Status of Audits as of June 30, 2004 and Required Communications**. Some of the highlights included:

·the audit of the University's basic financial statements is complete; the opinion has been drafted;
·audit of federal awards in accordance with OMB Circular A-133 are in progress;
·procedures performed with Massachusetts OSFA compliance requirements are in progress;
·letter of comments and recommendations with the University's accounting and internal control procedures are in progress.

It was noted that a separate Audit Committee has been assembled and will be meeting in the near future. The Committee will review the University's audits as well as consider the aspects of the Sarbanes Oxley Act.

It was then moved, seconded and

VOTED: To recommend that the Board accept the following report:

The FY2004 University Financial Report, as contained in Doc. T04-076.

The next item was **Fiscal Year 2005 University Operating Budget**. Mr. O'Riordan reported on some of the issues that impact the operating budget such as state budget support, student charges and enrollments, wages and collective bargaining and early retirement figures, inflation, capital programs and the administrative systems project. Some of the goals of the

operating budget include financial viability, expenditure control, revenue enhancement and investment strategy.

In summary the state budget situation remains positive as does the growth in designated and restricted activity. Investments include replacing faculty and staff in academic and support areas, renovation and capital improvements in classrooms and labs and research enterprises. As the University looks to the future it will attempt to meet enrollment and research demands, control non-fixed costs and generate support from funds other than those from state dollars.

Professor Schwartz from the Boston campus stressed the need to address the issues of reduced financial aid resources for students in need. Federal and loan/grant activity has been reduced and the University must be aware of students in need.

Mr. O'Riordan agreed that growing student debt is a serious issue that the administration is focusing on. President Wilson reported that in the coming years he will put more energy into increasing private giving and endowments.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To approve the FY2005 University Operating Budget, as contained in Doc. T04-077.

The next item was **Fiscal Year 2006 State Budget Request Authorization**. Vice President Lenhardt reported that the University is required to submit its FY2006 state budget request to the Governor and the Legislature in November of each year.

Trustee McCarthy had a question about a request for funds for the proposed Law School initiative. Vice President Lenhardt reported that it is his understanding there will be no request for state funds for the proposed Law School merger.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> To authorize the President to prepare and submit the Fiscal Year 2006 State Appropriation request. (Doc. T04-078)

The next item was **Designation of Surplus Land, UMASS Lowell.** Chancellor Hogan reported that the state does not have the resources to maintain the properties at the Lawrence Mills. Development of a public park and private condominiums close to the structures have added value to the area. The Lowell campus has agreed to declare the land across the street

surplus for surface parking across the street from the buildings; the University will have access to the parking lot until the garage is complete in approximately two years.

The second **Designation of Surplus Land/Land Swap** involves an opportunity for the University to acquire space in exchange for 125,000 square feet of office space. The space located in St. Joseph's Hospital can accommodate the University's Commercial Ventures and Intellectual Property programs and house the new College of Health and Environment. The surplus space comes from the Wannalancit Office Complex and has not proven useful for the Lowell campus.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

> Notwithstanding paragraph three of the section titled "Disposition of Real Property" of Trustee Policy T93-122, as amended, the Board of Trustees herby declares the land, with all building thereon for the parcels commonly known as Building #12, the Hub Hosiery Building and Building #14, the McQuade Building, of the Lawrence Mills properties in the city of Lowell surplus.
>
> The land, with all buildings thereon, commonly known as the McQuade Building (or Building #14), the Hub Hosiery Building (or Building #12), and the Agent's House (or Administration Building) and located on the northly side of Perkins Street in Lowell, Middlesex County, Massachusetts, being shown as Parcels 4 and 6 on a plan entitled "Approval not Required ("ANR") plan, Lawrence Mills Redevelopment, Lowell, Massachusetts" prepared by Harry R. Feldman, Inc., Land Surveyors, Boston, MA dated August 14, 2003.
>
> In addition, the parking surface site located to the southwest of Parcels 4 and 6 on said plan and bounded by Perkins St. to the north, Cabot St. to the west, Suffolk St to the east and Hall St to the south is declared surplus.
>
> Provided further, that the parking surface surplus shall be contingent upon the continued parking access for the University until such time as a new parking structure is complete.
>
> The exact boundaries of the parcel shall be determined by the commissioner of the division of capital asset management in consultation with the Lowell campus and the University. (Doc. T04-079)

And further,

VOTED: To recommend that the Board take the following action:

Pursuant to the requirements of chapter 344 of the Acts of 2004 and notwithstanding paragraph three of the section titled "Disposition of Real Property" of Trustee Policy T93-122, as amended, the Board of Trustees herby declares the parcel of property located at 600 Suffolk Street in the city of Lowell surplus. Said parcel of property is more fully described in section 2 of said chapter 344 as follows:

The land, with all buildings thereon, commonly known as 600 Suffolk Street and located on the northerly side of Suffolk Street in Lowell, Middlesex County, Massachusetts, being shown as Phase I as shown on a "Compiled Plan of Land In Lowell, Mass. For Wannalancit office and Technology Center Realty Trust", Scale 1"=20', dated March 25, 1983, by Robert M. Gill Associates, Inc., Civil Engineers & Surveyors, Lowell, Mass. (the "Plan"), which Plan is recorded with the Middlesex North District Registry of Deeds at Plan Book 140, Plan 1, containing 43,369 square feet of land, more or less; and Lot C on Plan entitled "Compiled Plan of Land In Lowell, Mass.", dated September 13, 1982, Scale 111=40', prepared by Robert M. Gill & Associates, Inc., Lowell, Massachusetts, which Plan is recorded with the Middlesex north district registry of deeds at Plan Book 137, Plan 121, containing 90,487 square feet of land, more or less.

The exact boundaries of the parcel shall be determined by the commissioner of the Division of Capital Asset Management in consultation with the Lowell campus and the University. (Doc. T04-080)

The next item was **Establishment of the Development Assistance Trust Fund, UMASS Lowell.** Chancellor Hogan reported that this action will enable the campus to collect rents from St. Joseph's Hospital to help defer the operational costs of the Hospital.

Vice President Lenhardt added that a trust fund is required to manage the funds in accordance with the University's fiscal management policies and in accordance with Chapter 75 statute.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To establish, in accordance with the provisions of Chapter 75 of the General Laws, and pursuant to Chapter 344 of the Acts of 2004, the Development Assistance Trust Fund for the Lowell campus. The purposes of the trust fund shall include, but not be limited to, the promotion of a sound and stable economy and a highly trained workforce, the encouragement of interdisciplinary research

and partnerships with community and industry, the support and improvement of the health of individuals and communities, and the spurring of the job creation necessary for the maintenance and growth of the technology and manufacturing sectors of the Massachusetts economy. All revenues and expenditures relative to the development, operation, repair, and maintenance of the St. Joseph's hospital property, as determined in said chapter 344, shall be deposited in and expended from the trust fund.

The Chancellor shall produce a report annually on the activities supported by the trust fund and shall submit copies of the report to the president, the office of the inspector general, the chairmen of the house and senate committees on ways and means, and the chairmen of the joint committee on state administration. (Doc. T04-081)

The next item was **Authorization for Intercampus Loan**. Vice President Lenhardt reported that we are requesting the Board authorize the President to approve a loan from the Worcester campus to finance the Intercampus Student Information System Project which will encompass all Student Administration Information and Processing for the Boston, Dartmouth and Lowell campuses.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To authorize the President of the University to approve a loan from the Worcester campus, in the amount of $3,000,000, to the President's Office University Information Technology Services division for the purposes of financing the Intercampus Student Information System (ISIS) Project of the Boston, Dartmouth and Lowell campuses. Said loan shall be repaid by the Boston, Dartmouth and Lowell campuses on such terms, with the interest rate to be established by the University Treasurer on January 1, 2005 and shall be documented by fully executed line of credit agreements.

To authorize the President to do such other things and to take such other action as he deems necessary or desirable to carry into effect the matters herein authorized. (Doc. T04-082)

The next two items included **Lease of Space, University of Massachusetts Building Authority** and **Renovation of Space for Use by the University, the University of Massachusetts Foundation, Inc. and the University of Massachusetts Building Authority**.

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Vice President Lenhardt reported that the leased space at One Beacon Street which houses the President's Office, the UMASS Foundation and the Building Authority will expire on March 31, 2005. The offered renewal rate would increase by more than $10 per square foot.

In addition to renting new office space the Building Authority is also looking into the leasing of space for a University of Massachusetts Alumni Club. A consulting firm has conducted a feasibility study and found alumni interest to be very high.

Responding to a question about the need for a Club, President Wilson responded that such a facility would provide an opportunity for social events and that these types of clubs have proven to be highly successful among other institutions.

The Trustees are being asked to allow the President to authorize the UMASS Building Authority to lease space for the President's Office, the Building Authority, the UMASS Foundation and the University Club and to renovate such space as needed.

Trustee McCarthy had questions about the broad language in the next two votes authorizing "all other officers of the University" to take such other actions . . . . The votes were amended to substitute "all other officers of the University" with the "Vice President for Management and Fiscal Affairs and Treasurer of the University" . .....

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

BE IT RESOLVED:

WHEREAS, University of Massachusetts Building Authority (the "Authority") is authorized by Chapter 773 of the Acts of 1960, as amended, among other things, (a) to provide dormitories, dining commons and other buildings and structures for the use of the University of Massachusetts (the "University"), its students, staff and their dependents and certain organizations related to the University, (b) upon written request made by authority of the Board of Trustees (the "Trustees") of the University, to acquire, add to, alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any building or structure and (c) to provide and install furnishings, furniture, machinery, equipment and facilities in or for or related to any such building or structure; and

WHEREAS, the Authority is further authorized by said Chapter 773 to acquire real and personal property by lease, purchase or otherwise; and

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that the Authority carry out the undertakings described below;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of the Authority that the Authority undertake the following:

(a) Through lease, purchase or otherwise, to obtain premises in the City of Boston suitable for the offices of the President and the Board of Trustees of the University, and for such ancillary and auxiliary purposes, including offices for the University of Massachusetts Foundation, Inc. and facilities for meetings and dining, as the President may determine and to lease or sublease, as applicable, to the University and the University of Massachusetts Foundation, Inc. the portion of such premises to be used by the respective entity; and

(b) To alter, reconstruct, remodel and do other work in or upon or respecting such premises and to provide and install furnishings, furniture, machinery, equipment and facilities in or for such premises, all to make such premises suitable for their intended purposes.

2. The President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University, be and they are and each acting singly is authorized and directed to do such other things and to take such other action as the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the undertakings of the Authority hereby authorized.

(Doc. T04-074)

And further,

VOTED: To recommend that the Board take the following action:

BE IT RESOLVED:

WHEREAS, University of Massachusetts Building Authority (the "Authority") is authorized by Chapter 773 of the Acts of 1960, as amended, among other things, to provide dormitories, dining commons and other buildings and structures for the use of the University of Massachusetts (the "University"), its students, staff and their dependents and certain organizations related to the University, to alter, enlarge, reconstruct, remodel and do other work in or upon or respecting any

building or structure, to provide and install furnishings, furniture, machinery, equipment and facilities in or for or related to any such building or structure and to initiate projects for such purposes upon written request made by authority of the Board of Trustees (the "Trustees") of the University; and

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that the Authority initiate the projects described below;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The President of the University be and he hereby is authorized in the name and on behalf of the Trustees to make a written request of the Authority that the Authority initiate the following projects:

(a) to alter, reconstruct, remodel and do other work in or upon or respecting premises obtained by the Authority through lease, purchase or otherwise in the City of Boston for use as the offices of the President and the Board of Trustees of the University, and for such ancillary and auxiliary purposes, including offices for the University of Massachusetts Foundation, Inc. and facilities for meetings and dining, as the President may determine, and to provide and install furnishings, furniture, machinery, equipment and facilities in or for such premises, all to make such premises suitable for their intended purposes; and

(b) in addition to or in lieu of said project, any other construction of or renovation, repair, remodeling or other work in or upon or respecting any building or structure owned, leased or used by the University or the Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of the Authority in writing from time to time by the President of the University, by the Vice President for Management and Fiscal Affairs and Treasurer of the University, or the Executive Vice President of the University, the making of such request being hereby authorized.

2. The President of the University and the Vice President for Management and Fiscal Affairs and Treasurer of the University be and they are and each acting singly is authorized and directed to do such other things and to take such other action as the officer or officers so acting shall, as conclusively evidenced by their taking the action hereby authorized, deem necessary or desirable to be done or taken to carry into effect the undertaking by the Authority of the projects hereby authorized

3. This vote is intended as the expression of the University's "official intent" under Section 1.150-2(d) (1) and (e) of the regulation promulgated by the United States Treasury Department under the Internal Revenue Code of 1986, as amended, toward the issuance of revenue bonds under said Chapter 773 or other applicable legislation for financing and refinancing the cost of any or all of the projects described in paragraph 1(a) or paragraph 1(b) above. (Doc. T04-085)

The next item was **Public Higher Education Endowment Incentive Program Implementation Policy**. Vice President Lenhardt reported on the establishment of the Public Higher Education Endowment Incentive Program and the need to authorize the President to develop guidelines for the implementation of the program. This program will be administered by the University of Massachusetts Foundation.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

The Board of Trustees hereby delegates to the President the authority to develop guidelines and procedures for the implementation of the Public Higher Education Endowment Incentive program established under section 15E of Chapter 15A of the General Laws, as amended by Chapter 352 of the Acts of 2004, for the University of Massachusetts including its five campuses.

Subject to annual state appropriation the Commonwealth's contributions shall match private contributions equal to $1 for every $2 privately contributed to the Board of Trustees or the University of Massachusetts Foundation, Inc. and added to the University's endowment.

Private contributions to the endowment for purposes of this program shall be limited to donations to an endowment for academic purposes including, but not limited to, scholarships, endowed chairs and contributions in support of academic facility construction and maintenance approved by the Board of Trustees.

The program shall be administered by the Foundation in accordance with procedures established by the President and filed with the House and Senate Committees on Ways and Means by no later than December 15, 2004.

Such procedures shall include a method to certify to the house and senate committees on ways and means the actual amount received in private contributions to the endowments in each fiscal year. Such procedures shall also include safeguards for protecting the anonymity of donors who indicate their desire not to be identified. (Doc. T04-083)

The next item was **Fiscal Year 2004 Treasurer's Report**. Vice President Lenhardt reported that the Report lists the different activities performed by the Treasurer's Office including reconciliation of University bank and credit card accounts, Master Lease Financing transactions and management of the University's Insurance Program.

Also included in the Report was the decision to transfer responsibility for the management of the fixed income portfolio from internal to a series of external managers and the hiring of an Investment Consultant to assist the University with selecting the best available managers.

It was noted that the Investment Committee has been very active in the hiring of an investment consulting firm and the selection of an Investment Custodian.

Following a question about UMASS Online revenue growth, President Wilson indicated that it was very good.

It was moved, seconded and

VOTED: To recommend that the Board accept the following report:

The FY2004 Treasurer's Report, as contained in Doc. T04-084.

The next item was discussion of the proposed **Law School Merger**. Chair Karam reported that this issue will also be discussed at the next meeting of the Committee of the Whole on November 9th and has asked the Board members to call or write him with any questions and/or concerns about the issue and reiterated that there is no rush to judgment on this issue.

Chair Karam also spoke about the many letters of support for the proposed merger with the Southern New England School of Law from Congressmen, Mayors, Senators, Representatives and business leaders, etc. The University is looking at this issue from every angle while considering the views of the people on Beacon Hill. The University will want to create a financial model that will allow the proposal to be self-supporting and not require funds from the Legislature or take funds away from the campuses. The law school would enter the UMASS system as a trust-funded program and would not be eligible for state or UMASS funding.

President Wilson reported on the process and the thoughtful consideration this issue has been given. This will be a business and academic decision and the decision should be made in a reasonable amount of time. Discussions have taken place with the Governor; his concerns are in the areas of finance and mission.

Chancellor MacCormack gave an update of the initiative including: the strengths of the SNESL: it is a great facility with a very good library and a very good faculty. The law school will provide quality educational opportunities at an affordable price to a part of the state that the Boston legal community does not reach.

Answering the question about the need for more lawyers, it was pointed out that this law school will expand opportunities for students interested in immigration issues and in serving public interest.

Chancellor MacCormack answered some of the questions that have been raised concerning the merger and stressed the following factors:

·there is a chronic shortage of public interest attorneys in Massachusetts and a statewide shortage of lawyers willing to represent indigent clients;
·Massachusetts is one of the 6 states that do not have a public law school;
·thirty six percent of the students at SNESL are students of color;
·services between UMASS Dartmouth and SNESL are already being shared;
·the Dartmouth campus has demonstrated effectiveness in building new academic programs and has a strong track record in winning national accreditations;
·the proposed law school would be financed through Continuing Education operations of the University, thus making it self-supporting.

Following Chancellor MacCormack's report, there were several requests/concerns: there was a request for the appointment of an ad hoc committee to review the merits of the proposed merger; Board members should have the ability to view the facility; the less than positive Bar pass rate should be looked at; is it possible to utilize PriceWaterhouseCoopers to review the books at SNESL; there must be due diligence. There are other issues we should be focused on such as building maintenance, lowering tuition costs and funding contracts.

There was also a question about members of the Board reviewing the American Bar Association Accreditation Reports; this is possible but only at the facility. There were questions about the location of the Law School and the faculty members and personnel actions. Some of these questions and concerns will be discussed in Executive Session.

Chair Dubilo then announced that the Committee would into **Executive Session** to discuss **Certain Real Estate and Collective Bargaining Matters**. He indicated that the Committee would not reconvene in open session.

It was moved, seconded and

VOTED: To enter into **Executive Session** for the purpose of discussing certain real estate and collective bargaining matters.

Chair Dubilo voted for the motion as did Trustees Karam, King, Labrecque, McCarthy and O'Shea. The time was 11:34 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE COMMITTEE ON ATHLETICS

Wednesday, March 3, 2004; 8:00 a.m.
Board Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Moes; Trustee Brathwaite

Committee Members Absent: Vice Chair Mahoney; Trustees Boyle, Karam, Kennedy, Morand, Rainey and Sheridan

University Administration: Vice President Julian; Chancellors Lombardi; Mr. Goodhue, Executive Director of Alumni Affairs

Athletic Directors: Mr. McCutcheon and Mr. Bjorn, UMASS Amherst; Mr. Titus, UMASS Boston; Ms. Costa and Ms. Goodrum, UMASS Dartmouth and Mr. Skinner, UMASS Lowell

Faculty Representatives: Professor O'Connor and Professor May, UMASS Amherst

Chair Moes convened the meeting at 8:25 a.m.

The first item on the agenda was an **Update on the Ad Hoc Task Force on Athletics**. The Task Force had been formed to study the issue of Division IA football on the Amherst campus. Chair Moes commended Chancellor Lombardi and the Consultant firm, Grenzebah Glier & Associates for their concise and honest report studying the Division 1-A Initiative.

Chancellor Lombardi then provided a summary of the results of the Consultant's report that did not currently support the proposition to commit to a privately funded Division 1-A football program. Some of the findings included:

- Current budgetary challenges facing the University system would not allow the Legislature to support this initiative;
- Lack of sufficient private resources to support the initial capital investment to a Division 1-A program;
- Questions about the logistical challenges of accommodating a large fan base and the uncertainty about costs of adapting the Stadium to a Division 1-A location;

Chancellor Lombardi reported that while several members of the Ad Hoc Committee were disappointed by the findings, the general consensus was to support the Consultant's recommendations that included revisiting the Division 1-A issue in the next five years and reevaluating several conditions that are not currently in place. The football program must build to a position of strength that would garner support from future public and private partnership opportunities.

Chancellor Lombardi stated his intention to develop a five-year plan for Amherst athletics with the focus on generating additional revenue.

Chair Moes thanked Mr. Bjorn for his work on this project and for his leadership during the search for a new athletic director. She also indicated that a letter of thanks and congratulations for their work would be sent to the members of the Ad Hoc Task Force on Athletics.

Chancellor Lombardi introduced Mr. John McCutcheon, the new Athletic Director for the Amherst campus and noted Mr. Bjorn's success as acting Director.

Mr. McCutcheon also thanked Mr. Bjorn and stated his eagerness to begin his job as the athletic director.

The next item was **Athletic Program Status Reports**. Mr. Mullen, Athletic Director from the Dartmouth campus could not make it due to illness; Ms. Costa and Ms. Goodrum reported for the Dartmouth campus. The report included the following:

- The Dartmouth campus is very excited about the new artificial turf field having been completed;
- The building of new dormitories will force the tennis courts to be moved;
- The fitness center is being utilized to full capacity;
- The ice hockey team will be playing in the semi finals;
- The athletic students have received academic honors slightly higher than the rest of the students on campus;
- Our freshman track athlete John Garcia has qualified for the New England long and triple jump competition;
- The women's swimming and diving club came in second in the New England championship;
- The women's soccer coach has been named coach of the year;
- The Dartmouth campus has teamed up with the Shriner's Club;
- We are currently seeking to fill several vacant positions.

Mr. Titus gave the report from the Boston campus.

- Keith Motley the new Vice Chancellor for Student Affairs is studying the infrastructure as far as athletics on the Boston campus;
- Chancellor Gora has attended 75% of all athletic activities;
- Two intercollegiate athletes have achieved conference honors;

- There was a Global Citizens Circle Round Table discussion with student athletes;
- There will be life skills education sessions for student athletes that will include career counseling, information about sexual orientation, gender and races issues, as well as alcohol and drug issues;
- The Brightest Beacons Luncheon will be held in April;
- The Boston campus has been awarded the National Association of Division III Athletic Administrators/Josten Community Service Award for outstanding community service performed by student athletes;
- There has been a lot of success with student clinics in squash, wallyball and racquetball; table tennis has become very popular and there are clinics and tournaments being planned;
- Mini competitions in foul shooting and 3 point shooting have been instituted.

Chair Moes commended Mr. Titus for his success with community service.

Mr. Skinner gave the report from the Lowell campus.

- Last year the Lowell campus finished 17th out of 280 schools in the annual Director's Cup standings; this year it finished in 5th place with five of Lowell's six fall teams qualifying for NCAA Champion Tournaments; (Lowell's field hockey team was featured on a CBS special on NCAA championships);
- The men's basketball team has won back-to-back championships; this season they are 23-5;
- The regulations for amateurism have changed affecting several very good basketball players of Israeli descent; in Israel you must serve three years in the military following high school graduation, so as a result come to the University with one year of eligibility;
- The women's track team won its first Championship and the men's team finished second;
- The University of Vermont will become a member of the Hockey East in men's and women's ice hockey; this will bring the number of programs in the men's league to 10 and the women's teams to 8;
- An eligibility violation was discovered in the men's hockey team; one of the players was declared academically ineligible and the team was required to forfeit five wins. There is a compliance program in place that is thorough and strong; Mr. Skinner's stressed the integrity of his staff and of the program and that corrective measures have taken place since the incident, and stressed that the campus will insure full and timely compliance in the future;
- Lowell's National Youth Sports Program, a five week education and sports training program for at-risk children, was selected as one of the five finalists for the National Program of the Year Award;
- Money was raised to offset medical expenses incurred by a former UMASS Lowell hockey player who was involved in a serious car accident;
- The new Campus Recreation Center is a great addition to the campus;

•Challenges ahead involve the increases in tuition and fees, which is making it difficult to attract high-quality student athletes.

Chair Moes had some questions about the eligibililty issue and what can be done in the future to avoid these kinds of cases. Mr. Skinner stated that the student in question was a transfer student that did well in school in his first year, became ineligible in December and due to travel and vacation time within the athletic department, the student's lack of credits went unnoticed for a short period of time.

Mr. Skinner reported that he has since resigned from a couple of committees and is eliminating vacation time between semesters. The Lowell campus is also going to transition to the NCAA compliance assistance on-line program, which will allow us to communicate with coaches, etc.

Mr. Bjorn then gave the report for the Amherst campus.

•The Amherst campus has hired a new football coach as well as an Assistant Director of Marketing and an Associate Athletic Director for Advancement;
•The football team has signed a contract to play the Boston College team next year;
•The Amherst campus is hosting the first round of the hockey play-offs;
•The men's swimming team has won again - the coach has been named the coach of the year for the ninth time;
•Al Skinner's number was recently retired at a very successful event attended by Julius Erving;
•A drug and alcohol policy is being drafted that will include education, counseling and testing.

Chair Moes suggested we find a way to sell the University's successes and in the process solicit money from the alumni. Mr. McCutcheon stated his plan to reach out to alumni as well as revisit the goals of the athletic department.

There was a discussion about the drug policy and the ramifications of testing; it was reported that legal counsel is reviewing the policy.

Chair Moes wrapped up the discussion by asking the Athletic Directors to contact Vice President Julian about ways the Committee can be helpful; some issues to consider for future meetings include compliance issues, the drug and alcohol policy, cross campus issues; the Committees on Academic and Student Affairs and Administration, Finance and Audit could also address some of these issues.

There being no further business to come before the Committee, the meeting was adjourned at 9:38 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE COMMITTEE OF THE WHOLE

Wednesday, February 4, 2004; 9:15 a.m.
College of Visual & Performing Arts
Star Store
715 Purchase Street
New Bedford, MA

Trustees Present: Chair Fey; Trustees Brathwaite, DiBiaggio, Karam, James Mahoney, Robert Mahoney, Marcalo, McCarthy, Moes, Morand, O'Shea, Rainey, Reed, Sheridan and White

Trustees Absent: Vice Chair Giblin; Trustees Austin, Boyle, Cassel, Dubilo, Fatemi, and Kennedy

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Julian, Chmura and Lenhardt; Ms. Harrington; Associate Vice President for Academic Affairs; Chancellors Lombardi, Gora, MacCormack, Hogan and Lazare

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston; Professor Leclair, UMASS Dartmouth; Dr. Cooke, UMASS Worcester

Faculty Representatives: Senator Steven Baddour, and Senator Steven Panagiotakis, Vice Chairman, Senate Ways and Means Committee

Chair Fey convened the meeting at 9:24 a.m. and welcomed the newest Board members, John DiBiaggio, President Emeritus, Tufts University; Matthew Morand, Student, UMASS Lowell; and Jamal Brathwaite, Student, UMASS Boston.

Chair Fey thanked Chancellor MacCormack and her staff for their hospitality. She indicated that today's discussion focuses on the future and the 10-year Strategic Plans of the campuses.

Under the **President's Report**, President Wilson introduced and thanked Senator Steven Baddour, a graduate of UMASS Dartmouth, and Senator Steven Panagiotakis, Vice Chairman of the Senate Ways and Means Committee, for visiting with the Board.

President Wilson then provided an overview of Strategic Directions for the University. He reported on System-Wide Strategic Planning; New Directions for UMASS; Challenges and Opportunities the Changing Environment Presents for UMASS; How UMASS Can Reposition Itself as a Key Resource to Meet New State Challenges; and New Opportunities for UMASS to Develop as a Top-Tier Public Research University.

Committee of the Whole
February 4, 2004

Highlights included:

- We are going to see how the campuses begin to think of themselves and their strategic plans and where they are going in the future;
- Common goals among the campuses include focusing on improving the student experience, community impact, diversity, and focusing on self-help;
- The University has a leadership position with performance measurement matters, capital investment for infrastructure, students, research, and matching funds in Massachusetts is imperative, and enrollment and diversity is a focus of the University's plan;
- Plans for new directions for the University include selectively expanding enrollment at UMASS Amherst, UMASS Dartmouth, and UMassOnline, and radically growing its Research and Development base;
- On Friday the University will participate in an announcement with Senator Kennedy and Mass Insight to release the new report on 'The Economy and Massachusetts';
- The challenging environment presents challenges and opportunities for the University. The University is repositioning itself through strategic investments and directly addressing the challenges;
- The University must stabilize core funding, develop and renew special state support for endowed chairs and capital facilities, secure targeted state science and technology resources, position the campuses to compete in federal competitions on research, and make UMASS more attractive for corporate partnerships and philanthropy.

The Chancellors then reported on the **Campus Strategic Plans**. Highlights included:

UMASS Amherst

- The strategic planning mission is to be a national independent research campus;
- The strategic plan focuses its mission on delivering nationally competitive performance in teaching and research;
- The campus can enhance its revenue by increasing its performance in fundraising, developing more effective means of commercializing its intellectual property, continuing to expand its participation in continuing distance education, and expanding its out-of-state student population;
- The campus will increase its enrollment by 300 students per year over the next five-year planning period;
- UMASS Amherst is working with the central CVIP office to improve the way the campus supports, motivates and mobilizes faculty to commercialize intellectual property;
- Physical plant is poorly maintained and operated and is a major liability for the campus;
- Inadequate funding of the physical plant requires the campus to invest substantial and increasing amounts of its operating funds in renovations, repairs, and replacement of facilities;
- The role of the institution is to grow out-of-state and in-state students, and invest in students and the much needed faculty.

Committee of the Whole
February 4, 2004

UMASS Boston

•Current guidelines for the planning process include:
-The University will grow in stature, but not in size;
-Maintain the diversity of the university population;
-Align the campus with the University's Performance Measurement System;
-Build on existing academic strengths;
-Embrace Technology;
-Serve the Commonwealth.

•Strategic Priorities: To increase Retention, Research and Reputation (The 3 R's).

-Retention - To sustain a challenging curriculum and co-curricular activities that respond to the multiple needs and interests of the students. To provide expanded faculty advising, enhance the first-year experience for students, build student community on campus, provide off campus learning experiences, improve the assessment of student learning, expand distance learning programs, improve classrooms and other learning spaces, build a first-class IT network.

-Research - To increase faculty research. Faculty sponsored research will build the campus' Signature Research Programs and create alliances with 90 tech companies in the area; funding opportunities of $2 million in federal support for state-of-the-art Geographic Information Systems Center, Enhanced Environmental Genomics Labs, and an Initiative Trace Metals Lab; provide a long history of involvement with the clean up of the Boston Harbor; Collaboration with the Dana Farber Cancer Institute; provide future funding of a 5-year $5 million Long Term Ecological Research NSF grant.

-Reputation - To increase UMASS Boston's reputation by increasing the campus' contribution to the commonwealth and increase revenue. To establish Foundation and Advisory Boards in colleges, achieve national ranking and program accreditation for selected programs, expand the continuing education service to the region, and promote business and community partnerships.

UMASS Dartmouth

•The strategic planning mission is to focus on continued growth and development as the best in class regional university;
•Goals outlining the campus' growth plan include a focus on size and expansion of enrollment to 10,000 students (8,000 undergraduate and 2,000 graduate) by 2010; growth in targeted graduate programs; expansion of key research strengths; pursuit of external contracts and industry partnerships; and a catalyst in educational, cultural, and economic activity;
•The Center for Marine Science and Technology is a recognized leader in Marine Research;
•The Dartmouth campus devotes energy to administrative partnerships in purchasing, technology infrastructure, enrollment strategies, and fundraising approaches and is open to collaborations that strengthen the ability to meet its mission.

Committee of the Whole
February 4, 2004

UMASS Lowell

•Strategic plan leading up to July 2000:
-The 1975 merger that formed UMASS Lowell had difficulty in it. Being so broadly written and with limited resources, the expectations on and off campus were far beyond reach.
-To correct the difficulty the 1993-2000 "Realign/Redesign/Reallocate Strategic Plan" was developed. By July 2000 UMASS Lowell was in very good financial condition.

•1998-2005/06 Strategic Plan contained a primary focus on five imperatives:
-Stabilize enrollments;
-Improve the physical plant;
-Enhance and sustain the regional development plan;
-Improve the teaching and learning dynamic and enhance the technology and training across the campus;
-Expand fundraising efforts.

•Major areas of focus to produce $5 million a year of revenue by 2005/06:
-Commercializing the intellectual property;
-Redesigning the continuing education program at Lowell into an aggressive program;
-Expand fundraising activities.

•Major Goals of the 2003-2013 Transformation Process:

1. Overall Goal – To solidify UMASS Lowell's reputation based on how a public university providing high quality, affordable programs and operating in the highly respected land grant tradition can play an effective role in sustainable regional economic and social development in today's global economy.

2. Academic Goal – To provide the undergraduate experience, regardless of the major being pursued, which will enable students to clearly understand the interrelation between various disciplines and how that dynamic interaction shapes the sustainability of vibrant societies, the robustness of stable economics and the quality of lives.

   Transformation Steps:
   •Make significantly more productive use of UMASS Lowell's talented faculty and supporting academic services;
   •Make major improvements in the effectiveness of the teaching/learning dynamic;
   •Integrate closely related courses now given independently by several academic departments;
   •Use more large classrooms and make use of the two-way interactive voice/video system;
   •Electronically receive and provide academic courses with other UMASS campuses when cost effective;
   •Move to department or "cluster" work loads in order to make maximum use of the strength of each individual faculty member;
   •Give highest priority to continuing efforts to restructure the undergraduate experience.

3. Financial Goal – To provide a high quality education in a safe, inviting environment, made financially accessible by granting significant campus paid for financial aid based on student need with the funds available by reducing overall campus instructional and business and facility cost.

   Transformation Steps:
   •Reduce all business processing costs that can be reduced by centralizing the process in the University System Office making maximum use of the PeopleSoft system;
   •Aggressively expand present efforts to conduct as much student, staff, faculty and external transactions, information exchange and business processes in a "self-help" WEB-based mode to reduce the "processing" time/cost;
   •Reduce the non-faculty payroll cost and improve student services and business processes;
   •To fully make use of the robustness of the PeopleSoft system.

UMASS Worcester

•The mission of the Medical School is to serve the people of the Commonwealth through programs of national distinction in health science education, research, and public service;

•Strategic goals and objectives:
-Implementation of current research enterprise and capital investments;
-Management of core support departments in the context of the current budget without disrupting growth;
-Educational support investments;
-Advancing plans for research growth and faculty retention and recruitment.

President Wilson indicated that for the University to build on its Strategic Plan it must continue to serve the students and the Commonwealth, be accessible, and affordable.

President Wilson then introduced Senator Steven Panagiotakis, Vice Chairman of the Senate Ways and Means Committee. Senator Panagiotakis thanked the Chancellors for their reports. He noted that in the last two years funding for higher education had decreased by 23%; the Senators are working with the Legislature, businesses, communities and parents to establish a 'Parents Task Force in Higher Education' to fight for higher education. Senator Panagiotakis urged the Trustees to help make the case for the University at the State House.

Chair Fey thanked Senators Baddour and Panagiotakis for recognizing the issues facing the University and asked that the Board be kept informed of how it could provide help.

Committee of the Whole
February 4, 2004

The meeting adjourned at 11:28 a.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE COMMITTEE OF THE WHOLE

Tuesday, May 4, 2004; 4:00 p.m.
Massachusetts Room – Mullins Center
University of Massachusetts
Amherst, Massachusetts

Trustees Present: Chair Fey; Vice Chair Giblin; Trustees DiBiaggio, Fatemi, Karam, Marcalo, Moes, O'Shea, Reed and White

Trustees Absent: Trustees Austin, Boyle, Brathwaite, Cassel, Dubilo, Kennedy, McCarthy, James Mahoney, Robert Mahoney, Morand, Rainey and Sheridan

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Chmura, Gray, Julian, and Lenhardt; Ms. Harrington; Associate Vice President for Academic Affairs; Chancellors Lombardi, Gora, MacCormack, Hogan and Lazare

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor May, UMASS Amherst; Professor Buzawa, UMASS Lowell; Professor Carter, UMASS Lowell

Guests: Richard Rogers, Faculty Advisor to the Provost, UMASS Amherst; Peter Langer, Associate Provost, UMASS Boston; Professor Polly Welsh, UMASS Boston; Professor Teddy Chocos, UMASS Boston; Professor Richard Upchurch, UMASS Dartmouth; Professor Susan Gallagher, UMASS Lowell; Mitchell Shuldman, Librarian, UMASS Lowell

Chair Fey convened the meeting at 4:20 p.m. and thanked Chancellor Lombardi and his staff for their hospitality. She noted that Chancellor Lombardi is working hard to move the Amherst campus forward during these challenging times.

Chair Fey welcomed President Jack Wilson to his first meeting as President of the University of Massachusetts. She then indicated that today's discussion will focus on innovation that is improving the undergraduate experience at the University of Massachusetts.

Under the **President's Report**, President Wilson reported that today's discussion will focus on the teaching, learning, and engagement process through various facets of the students' experience. National trends of teaching and learning include the development of a more interactive and engaging classroom experience; getting more real experiences such as undergraduate research participation; service learning opportunities for students such as activities involvement within the community; and honors programs. He reported that one of the issues that universities wrestle with is the use of technology to create engagement and communities of learners.

Committee of the Whole
May 4, 2004

President Wilson reported that he recently participated in the UMASS Commonwealth Scholars Undergraduate Research Symposium.

President Wilson then introduced Richard Rogers, Advisor to the Provost, UMASS Amherst; Peter Langer, Associate Provost, UMASS Boston; Professor Polly Welsh, UMASS Boston; Professor Teddy Chocos, UMASS Boston; Professor Richard Upchurch, UMASS Dartmouth; Professor Susan Gallagher, UMASS Lowell; Mitchell Shuldman, Librarian, UMASS Lowell and David Gray, Interim CEO, UMassOnline to discuss **Innovation in Undergraduate Education**.

Richard Rogers from the Amherst campus reported on "Teaching a Class of 200 as if it were only 20" and how technology assists in making large classes more personable. He discussed the Personal Response System (PRS), which promotes active learning and Online Web-based Learning (OWL). The Trustees participated in a PRS demonstration.

Peter Langer from the Boston campus reported on the challenges of creating a freshmen learning community at a commuter campus and the creation of integrative multidisciplinary freshmen seminars, which are linked to other courses to build a community of learners.

Professors Polly Welsh and Teddy Chocos from the Boston campus reported on their experiences in teaching linked courses.

Professor Richard Upchurch from the Dartmouth campus reported on the "E-Portfolio," an electronic record of a student's academic career.

David Gray, CEO of UMassOnline reported on the educational opportunities available Online and the ability of UMassOnline to reach students beyond time and space constraints. He then introduced Professor Susan Gallagher and Mitchell Shuldman from the Lowell campus to report on the use of UMassOnline technology to enhance traditional face-to-face classrooms.

Professor Susan Gallagher from the Lowell campus reported on the use of instructional technology to enhance learning in the classroom.

Mitchell Shuldman, Librarian from the Lowell campus reported on the challenge of information literacy in an era of easy access to, and overwhelming amounts of, information.

David Gray then presented a testimonial video of Christopher Scholarman, a student who completed his B.S. degree in Information Technology offered through UMassOnline.

There was then a brief discussion on integrating information technology within the University's five-campus system.

Chair Fey then thanked the participants for their presentations.

Committee of the Whole
May 4, 2004

The meeting adjourned at 6:10 p.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE COMMITTEE OF THE WHOLE

Tuesday, November 9, 2004; 4:00 p.m.
Ballroom, Campus Center
100 Morrissey Boulevard
University of Massachusetts
Boston, Massachusetts

Trustees Present: Chair Karam; Vice Chair White; Trustees Armstrong, Austin, DiBiaggio, Kennedy, King, Labrecque, Mahoney, Moseley, Murphy, O'Shea, Pearl, Pham and Sheridan

Trustees Absent: Trustees Boyle, Cassel, Dubilo, Erving, Fey, McCarthy and Rainey

University Administration: President Wilson; General Counsel O'Malley; Vice Presidents Chmura, Gray, Julian, and Lenhardt; Ms. Harrington; Associate Vice President for Academic Affairs; Chancellors Lombardi, Motley, MacCormack and Lazare

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor Tirrell, UMASS Boston

Chair Karam convened the meeting at 4:17 p.m. and indicated that today's meeting will provide an in-depth analysis and review of the proposal for a University of Massachusetts School of Law. He expressed his confidence that all questions that have been put forward will be addressed today.

This is our third meeting in this process following a general overview and two subcommittee meetings dealing with academics and financial considerations. Chair Karam thanked Trustee Austin, Chair of the Committee on Academic and Student Affairs, and Trustee Dubilo, Chair of the Committee on Administration and Finance for their assistance in putting those insightful committee meetings together.

Chair Karam welcomed Trustees John Armstrong and Janet Pearl to the meeting.

Chair Karam then announced that the Board of Trustees Retreat will be held on January 27; the UMASS Boston Chancellor Search is underway. Trustee Rainey will report on the status of the Search at tomorrow's Board meeting; out-going Trustees Diane Moes, William Giblin, and James Mahoney, who have a combined 30 years of service to the University, will be recognized by the Board of Trustees in the near future; the Board will also be recognizing out-going chair Grace Fey's accomplishments; $1.5 million was raised at the Bill Cosby event at UMASS Amherst. Chancellor Lombardi and his team did an incredible job.

Committee of the Whole
November 9, 2004

Chair Karam announced that Joseph Cofield has resigned from his position as Executive Director of the UMASS Foundation but will serve in a consulting capacity for several months. We will be working with Trustee Robert Mahoney and President Wilson to fill that position.

Chair Karam introduced Senator Joan Menard and Representative John Quinn who spoke of the importance of a University of Massachusetts Law School. Senator Menard informed the Board of her excitement for the law school. We hope to preserve and strengthen an institution that provides education and economic opportunity to people in southeastern Massachusetts. This merger produces exciting opportunities for academic collaboration. This is the right step not only for the southcoast but for the University of Massachusetts and the Commonwealth.

Representative Quinn, who graduated from UMASS Dartmouth and Suffolk University School of Law, reported that Southern New England School of Law in its present form has a wonderful working relationship with the University and plays an important role in the community. Massachusetts is one of six states in the country that does not have a public law school. He indicated that it is the University's obligation to provide access to legal education…access delayed is access denied.

Chair Karam thanked Senator Menard and Representative Quinn. He extended the Board's gratitude to the Legislature for its support over the past year, especially the Match and Grant Program that has been extremely beneficial to the University's Endowment Program.

Chair Karam then read a letter sent from former Governor William F. Weld expressing his enthusiastic support for the proposed merger.

Under the **President's Report**, President Wilson reported that he had the opportunity to meet three energetic, committed, young lawyers from the Southern New England School of Law: Ryan Benharris, a third year student; Tracy Little, a 2001 graduate; and Timor Zoubaidolline, a 2003 graduate. These students are what today's discussion is about.

President Wilson then briefed the Committee on the initial law school proposal and the due diligence process. The Board is not expected to take any votes today. President Wilson indicated that the case has been made on the financial and academic fronts, and he is prepared to recommend that the Board move forward with this initiative. Chancellor MacCormack and her team have done a fantastic job with the due diligence process.

President Wilson reported that the University will receive Southern New England School of Law with assets valued at $10 million and a rainy day fund of $1.5 million. The merger will not defer funds from UMASS Dartmouth or any other UMASS program. Under the states' Continuing Education Act a firewall provides that state funds can not be used to support the law school.

President Wilson reported that Southern New England School of Law has regional and state accreditation and is expected to meet ABA accreditation. We want to turn this law school into a jewel for the Commonwealth.

The proposal for a law school has received wide support from members of congress, state and city officials, business leaders, and educators. President Wilson highlighted positive reviews of the proposal by Glenn Strehle, former Treasure of MIT; Ellen Wayne, Dean of Career Services at Columbia University; Candace Corvey and Kenneth Cody, financial officials at the University of New Hampshire; and LeRoy Pernell, Dean of Northern Illinois University College of Law.

President Wilson then indicated that after examining the issue for more than a year, working with Chancellor MacCormack, and consulting with colleagues from other institutions, he recommends that the University of Massachusetts move forward entering into a formal merger discussion with Southern New England School of Law. Looking forward toward the future he will create a Blue Ribbon Commission to assist in the creation of a public law school. The Blue Ribbon Commission would include other law educators, business educators from outside the University of Massachusetts, and the provosts from the UMASS system.

Chancellor MacCormack reported on the proposed **UMASS/Southern New England School of Law (SNSL) Merger**. She began by expressing her appreciation for the questions raised. It has made our proposal better, and forced us to look very closely at our assumptions. She thanked Chairman Karam, President Wilson and his staff for looking at the assumptions. She thanked Representative Quinn and Senator Menard, and also thanked Vice Chancellor Zekan and Provost Esposito for their work.

Southern New England School of Law is a real place with real people. Chancellor MacCormack introduced Tracy Little, a graduate of SNESL 2001, who works in academic support at the law school. She helped prosecute war criminals in the former Yugoslavia; Timor Zoubaidolline, is a 2003 graduate who was accepted at Georgetown University but his financial aid fell through. He practices civil law at the Law offices of Beauregard, Burke and Franco in New Bedford; and Ryan Benharris a third-year student, who is president of the Student Bar Association. They are a good example of SNESL and its synergy with the University's mission.

Southern New England School of Law is a 77,000 square foot building with room for expansion, and lies on 5.6 acres. It is located 60 miles, 2 hours, 20 minutes from the Boston law schools creating affordability. It is appraised at $9.7 million and has $2.5 million of continuing debt. The law school provides an opportunity to create educational opportunities across the Commonwealth. The proposal is about building hope and aspiration, creating access to excellence, and creating an opportunity to serve the public interest. An editorial in *The Boston Globe* highlights that the law school is a wonderful opportunity.

Chancellor MacCormack reported that public interest law is a focus of the law school. We want to create a resource for the Commonwealth which would allow an opportunity to qualified working-class students who want to pursue a law education. There is a need, and that need is consistent with the University's mission to serve the Commonwealth. We are proposing a merger for mutual growth and excellence.

President Wilson reported that the Chief Financial Officer and Vice President for Administration and Finance reviewed the financial plan. Vice President Lenhardt reported that the President's Office has reviewed the financial plan with Chancellor MacCormack and her staff. The University's external audit firm has been asked to review the plan and a written response is expected in a few days. He also reviewed the audited financials from SNESL and the numbers are clear. SNESL has showed a slow but steadily improving financial picture since 2000. We are receiving a good capital asset with a little mortgage. This is an opportunity which far outweighs the risk. Vice President Lenhardt urged Trustees to visit the SNESL facility.

Trustee Austin indicated that as Chair of the Committee on Academic and Student Affairs he supports President Wilson's recommendation to merge the Southern New England School of Law with UMASS Dartmouth. He also indicated that to obtain accreditation student LSAT scores and GPA must be raised and the faculty must be improved.

Trustee Pham asked when the Board can view the Financial Due Diligence and the American Bar Association Accreditation Reports. Chancellor MacCormack reported that all financial information has been provided to the President's Office. Southern New England School of Law has agreed that the Finding of Facts Report will be available for Trustee to look at but only at the facility. President Wilson indicated that additional materials will be made available as it comes in.

Chair Karam thanked President Wilson and Chancellor MacCormack for an outstanding job on the analysis of the review process. We should consider moving this initiative forward based on the University's ability to generate first class programs of national distinction...distinction that begins with ABA accreditation and does not end there. This is an opportunity of great value for the entire UMASS system.

Chair Karam indicated that he is very confident in management's assessment and strongly endorses the initiative. He asked the Trustees to do the same.

Committee of the Whole
November 9, 2004

The meeting adjourned at 6:04 p.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE DEVELOPMENT COMMITTEE

Thursday, January 22, 2004; 10:00 a.m.
Knapp Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Vice Chair Austin

Committee Members Absent: Chair Mahoney; Trustees Fatemi, Giblin and Rainey

University Administration: President Wilson; Mr. Cofield, Executive Vice President, UMASS Foundation; Ms. Wilson, Consultant; Chancellors Gora and MacCormack; Mr. Goodhue, Alumni Affairs

Development Staff: Dr. Dale, Vice Chancellor for University Advancement and Executive Director, UMASS Amherst Foundation; Dr. Fisher, Vice Chancellor for Institutional Advancement, UMASS Boston; Mr. Ramsbottom, Executive Director, UMASS Dartmouth Foundation; Mr. Eynon, Executive Director, University Advancement, UMASS Lowell; Ms. Bartram, Interim Vice Chancellor for Development, UMASS Worcester; Mr. Sherman, University Relations, UMASS Worcester

Faculty Representatives: Professor May, UMASS Amherst; Professor Schwartz, UMASS Boston

Vice Chair Austin convened the meeting at 10:07 a.m. in the absence of Chair Mahoney.

The Development Officers then reported on the **2004 Development Reports thru Q2**.

UMASS Amherst

- The Amherst campus is preparing to launch its fundraising campaign;
- The computer system has been upgraded to the latest version of the ADVANCE system;
- Seventeen fundraisers were hired in the past 6-7 months;
- The UMASS Amherst Foundation Board will approve the selection of a Campaign Consultant on February 23rd;
- The Amherst campus hopes to exceed the fundraising goal of $25 million.

UMASS Worcester

- The Worcester campus ended the second quarter at $9.9 million versus its fundraising goal of $25.2 million;
- The $20 million Emergency Care Campaign for a new Emergency Department on campus is moving forward. This year's Emergency Care Campaign goal is $10 million;
- Alumni Giving has increased about 40%;
- The Worcester campus is in the process of Benchmarking with peer institutions.

UMASS Boston

- The Boston campus is half-way through its fundraising goal;
- Staffing continues to be an issue for the Advancement Office. Six people have been added to the Advancement staff;
- The Boston campus hopes to close down its VSR/VAX computer system by June 30th and convert to the Millennium system;
- Preparations for the opening celebration of the Campus Center, which will be held on Monday, April 26, 2004, from 6:00 to 9:00 p.m., are in progress. Alumni honorees include Mayor Thomas M. Menino, Reverend Kathleene Card, and Clayton H. W. Turnbull. The event's co-chairs are UMASS' Chair Grace K. Fey and Trustee Robert Mahoney, and George Russell of State Street Bank.

Professor Schwartz asked if progress had been made in the naming of the new Campus Center. Dr. Fisher indicated that negotiations are ongoing.

UMASS Dartmouth

- The Dartmouth campus is behind in its fundraising efforts, however, the campus anticipates exceeding its $4.3 million goal;
- Negotiations for several planned gifts and an Endowed Chair for Middle Eastern Studies are ongoing;
- The search for a permanent Vice Chancellor for Advancement will be in place by July 2004;
- Searches will begin for 1-2 Major Gifts Officers once the Vice Chancellor for Advancement position is filled;
- Strategic fundraising plans are underway;
- The Annual Fund is complete and will exceed last year's total;
- The Parent's Association will exceed last year's total;
- The Campus Campaign for Employees is up 54%;
- A College Annual Fund Campaign is underway;
- The Annual Gala will take place the evening before Commencement.

UMASS Lowell

- The Lowell campus saw a surge in its fundraising efforts during the second quarter;
- Cash gifts increased dramatically to $1.3 million. Total cash is $200,000 ahead of last year;
- Chancellor Hogan has assigned a $28 million goal for gifts-in-kind and company product;
- There was a surge in alumni and donor donations;
- The Lowell campus stands at 43% of Chancellor Hogan's cash goal of $3.1 million;
- Cash and pledges are at 65% of the overall goal of $3.85 million;
- Unrestricted gifts are ahead 33%. The Lowell campus is almost at 80% of the Chancellor's goal of $280,000;
- Gift to endowment are 62% ahead of last year;
- The PeopleSoft system conversion in the Advancement Office is in progress and will go live on August 1st. Chancellor Hogan hopes to convert the entire campus to the PeopleSoft system by January 2005;
- Searches for five positions in the Advancement Office are underway.

The next item on the agenda was **Reporting to Endowment Donors, UMASS Amherst**. Dr. Dale indicated that a copy of the presentation is available on the web site http://umass.edu/ua/Jan22.ppt. She reported on Donor/Prospect Communications. Highlights included:

- As resources decrease the need to communicate with donors/prospects has increased;
- Institute a policy to review all school/college/unit publications and written communications with alumni;
- Coordination of messages, themes, and mailing schedules;
- Creation of a Visual Identity Guide for publications;
- Establishing a committee with campus-wide representation to develop a professional Public Relations effort. Robert Connolly, Associate Vice President for University Relations and Communications, is assisting in the effort;
- The alumni publication called *"Connections"* is now included in the *"Alumni Magazine"* and shared with all alumni to build stronger communications and programming;
- Communications are targeted to specific groups;
- A publication called *"Foundations"* has been developed for the top 300 major gifts prospects;
- The Endowment Report has been redesigned.

There was a brief discussion on 'How to Better Market the University'. President Wilson reported that funds have been allocated from the UMASS Foundation for a marketing campaign, which would include success stories from the campuses. He indicated that Robert Connolly has been working with the campuses on this initiative.

The next item on the agenda was **Proven and Unique Stewardship Tools: How are you Communicating with Major Donors? What has been Particularly Effective?** Highlights included:

UMASS Worcester

- The Worcester campus is in the process of revamping its newsletter called *"The Benefactor"*.

UMASS Boston

- Donors receive a copy of a newsletter Chancellor Gora sends to faculty and staff members about conditions on campus;
- A personalized Thanksgiving holiday card from Chancellor Gora was sent to donors;
- The back of the *"Alumni Magazine"* consists of a full-page feature called "Generous Friends";
- A system is needed to address regular connections with smaller groups;
- *"Celebrating Excellence"* a publication sent to major donors, talks about the role of the Boston campus in the Commonwealth.

Vice Chair Austin suggested that the campuses invite their top 20 donors to major events, such as UMASS' Night at the Pops, and the upcoming Tribute Dinner to former President William Bulger.

UMASS Dartmouth

- A *"UMASS Dartmouth Alumni Magazine"* has been produced;
- In the past, major donors paid for two chartered America's Cup Sailboats, which resulted in an endowed chair for the School of Marine Science;
- All donors are invited as guests to all major events on campus.

UMASS Lowell

- The Committee was referred to a handout, which captures most of what is being done with donor relations on the Lowell campus.

Vice Chair Austin thanked everyone, and asked that 'How the Trustees can be of help to the Development Officers' be considered a possible discussion item for the next meeting.

The meeting adjourned at 11:20 a.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE DEVELOPMENT COMMITTEE

Tuesday, April 20, 2004; 3:00 p.m.
Board Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Mahoney; Vice Chair Austin; Trustee Brathwaite

Committee Members Absent: Trustees Fatemi, Giblin and Rainey

University Administration: Mr. Cofield, Executive Vice President, UMASS Foundation; Ms. Wilson, Consultant; Chancellor Gora; Mr. Goodhue, Alumni Affairs

Development Staff: Dr. Dale, Vice Chancellor for University Advancement and Executive Director, UMASS Amherst Foundation; Dr. Fisher, Vice Chancellor for Institutional Advancement, UMASS Boston; Mr. Ramsbottom, Executive Director, UMASS Dartmouth Foundation; Mr. Eynon, Executive Director, University Advancement, UMASS Lowell; Ms. Bartram, Interim Vice Chancellor for Development, UMASS Worcester; Mr. Sherman, University Relations, UMASS Worcester

Chair Mahoney convened the meeting at 3:04 p.m.

The first item on the agenda was **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the January 22, 2004 meeting of the Committee.

The Development Officers then reported on the **2004 Development Reports and Specific Strategic Initiatives (Third Quarter).**

Dr. Dale reported for the Amherst campus. There was a discussion about the proposal to sell University-owned property on Nantucket Island. Executive Vice President Julian joined the meeting and gave a status report of the transaction. Currently the sale needs legislation and up to this date has been well received by the Legislature. It will pay approximately $20 million dollars over 4-5 years; each campus will share in the proceeds in the way of endowments. The Amherst campus plans to use their share in a matching program.

Development Committee
April 20, 2004

Dr. Dale reported that Dr. Bill Cosby will be giving a performance on the Amherst campus which will be a major fundraising event. It will be called "Cosby Coming Home" and will include the announcement of some major gifts. Dr. Dale also reported that Dr. Julius Erving will host a major golf tournament in August.

Dr. Fisher reported for the Boston campus which has been busy planning the Campus Center Opening and Gala scheduled for April 26. Judy Collins will be performing and has agreed to be a part of a "meet and greet" session. Chancellor Gora reported that the campus has passed its goal of raising $300,000 in relation to the event.

Trustee Brathwaite reported that the Center will open many doors of opportunities to students and faculty. All student services, centers and organizations will be housed in the Campus Center. It was also reported that Jimmy and Roslyn Carter will be coming for a visit.

Mr. Ramsbottom from the Dartmouth campus announced commitments of $156K and $368K in April for a total of $917K for student scholarships during FY04. The search for a permanent Vice Chancellor of Advancement continues and the campus is aiming to have the position filled by July 1st.

As part of a strategic fundraising plan, the Dartmouth campus has identified donors that have donated different amounts in unrestricted and restricted monies. The Annual Gala will be held on Saturday, May 22nd. Mr. Ramsbottom requested that the PIN system be updated as they are presently identifying the top 100 alumni through that system.

Mr. Eynon from the Lowell campus reported a $3.8 million figure in pledges. Trustee Austin reported that Raytheon has had several different requests for funds and requested that there needs to be a consolidation of requests and a sharing of information and "prospect control". It was noted that donation requests on the Dartmouth campus are all funneled through the Chancellor.

It was then announced that Rod Miller has been appointed as Chief Executive of the UMass Memorial Foundation. In this role, Mr. Miller will lead the joint development function of the Medical School and UMass Memorial Health Care as Vice Chancellor for Development. Mr. Cofield then thanks Pat Bartram for her work in the interim position.

Mr. Eynon also discussed the UMASS Lowell Total Donor Focus program which is a new advancement paradigm and should be up and running in 18-25 month and will result in a rebuilt Advancement Office.

Chair Mahoney then discussed the need to work together to set appropriate goals for the coming fiscal year and stressed the need to engage President Wilson in fundraising efforts and suggested that he attend the next meeting. The Development Officers should make a list of ways the President could help them with fundraising activities.

Development Committee
April 20, 2004

The new television ads highlighting UMASS' accomplishments were also mentioned and everyone is very pleased with them.

The meeting adjourned at 4:36 p.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE DEVELOPMENT COMMITTEE

Thursday, July 22, 2004; 10:00 a.m.
Knapp Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Mahoney; Trustee Labrecque

Committee Members Absent: Vice Chair Austin; Trustees Giblin and Rainey

University Administration: President Wilson; Mr. Cofield, Executive Vice President, UMASS Foundation; Ms. Wilson, Consultant; Chancellors Lombardi and Gora; Deputy Chancellor Stanton; Mr. Goodhue, Alumni Affairs

Development Staff: Dr. Dale, Vice Chancellor for University Advancement and Executive Director, UMASS Amherst Foundation; Mr. Fencil, Acting Vice Chancellor for Institutional Advancement, UMASS Boston; Mr. Ramsbottom, Executive Director, UMASS Dartmouth Foundation; Mr. Eynon, Executive Director, University Advancement, UMASS Lowell; Mr. Miller, Chief Executive, UMASS Memorial Foundation

Faculty Representatives: Professor O'Connor, UMASS Amherst; Professor Schwartz, UMASS Boston

Chair Mahoney convened the meeting at 10:05 a.m.

The first item on the agenda was **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the April 20, 2004 meeting of the Committee.

President Wilson then reported that he recently participated in Harvard's New President Orientation which he found useful. President Wilson indicated that the University must increase its ability to raise funds and asked how he could help with fundraising efforts.

The Development Officers then provided a **Review of 2004 Fundraising Results** and the **2005 Fundraising Goals**.

Development Committee
July 22, 2004

Dr. Dale reviewed fundraising highlights for FY2004.

There was a brief discussion on how to best utilize President Wilson in fundraising efforts. Mr. Cofield, Executive Vice President for the UMASS Foundation indicated that obtaining matching funds is the greatest contribution President Wilson could make in helping with development efforts.

Mr. Fencil from UMASS Boston reported that for the second year in a row a pledge of $425,000 had been unfulfilled. Next year's fundraising goal is $6.4 million. He also reported that the campus will continue to cultivate prospective donors.

Mr. Fencil reported that the new Campus Center provides many opportunities for the campus. Such opportunities include WUMB the campus' FM station, has been assigned space in the Quinn Administration building and has enlisted the Institutional Advancement Office to do a campaign with them; provide space for the College of Nursing to expand its Learning Research Laboratory; College of Nursing collaboration with the Dana Farber Cancer Institute to provide diagnostics and some treatment on campus which will help the Dorchester community; give significant donors the opportunity to put their name on part of the Campus Center building.

Mr. Fencil reported that other activities include working on the Moakley Chair which is still in progress; working with the National Endowment for the Humanities to fund part of a Center for a Chair in Urban Cultural History; there has been a great deal of success in the academic support service area in raising money to supplement and support programs dealing with the Dorchester Educational Cooperative, formerly Dorchester High; we have received the first payment of a six-year grant from the Nellie Mae Foundation; and we continue to cultivate a gift from the Bell Ford Foundation.

Mr. Fencil reported that the Boston campus will hold a second Annual Gala, continue to work on its Annual Fund Program, and with the Office of Sponsored Research.

Mr. Ramsbottom from the Dartmouth campus reported that as of June 30 the campus exceeded its cash goal; pledges were 50% of goal due to the lack of matching funds and not having a capital campaign; grants were 59% of goal; and gifts-in-kind were 2% of goal despite multiple requests of faculty and staff.

Mr. Ramsbottom reported on fundraising/reorganization/strategic activities. Fundraising activities include two $1.5 million Planned Gifts which were received; a $2 million Building Donation which is in negotiations; a $1 million Chair in Middle Eastern Studies which is in negotiations; a $250,000 Major Gift on hold; and a $250,000 Major Gift which has been received. Reorganization activities include a search for a Vice Chancellor of Institutional Advancement, a search for two Major Gift Officers; reorganization of the UMASS Dartmouth Foundation; and the of hiring of a Director of Donor Relations. Strategic fundraising activities

include "Breaking New Ground – A Tradition of Innovation" a campaign celebrating the 40th anniversary of the Dartmouth campus groundbreaking; and the Chancellor's Circle Solicitation.

Mr. Ramsbottom also reported that the top 200 alumni prospects have been identified through PIN and revision of the Harris Directory; the Annual Fund campaign was up 14%, total donors was up 35% and the campus campaign which includes faculty and staff was up 54%; and the Parents Association and solicitation of parents/grandparents group has been reactivated. He reported that the FY2004 goals will remain the same for FY2005.

Mr. Eynon from the Lowell campus reported that the campus exceeded its $3.8 million cash/pledge goal. The overall FY2004 cash and pledge total was $4.2 million. The overall cash total for the campus was $2.365 million. The FY2005 goal is $8.4 million, and the cash goal is $3.82 million, which is an increase of 27% over this past year.

Mr. Miller from the Worcester campus reported that three gifts made up one-third of the philanthropy for the year. There are three mini campaigns in progress, the Emergency Care Campaign, the Cardiac Catheterization Lab, and the Biomedical Research Center. The campaigns are being challenged because the lack of sufficient prospects continues to be a problem. He indicated that continuing to cultivate prospects is a short term goal.

Mr. Miller reported that the 26th Chair in Biomedical Sciences was good news for the Medical School. He then announced that the 'Walk to Cure Cancer' is taking place on September 26th in Worcester.

Chair Mahoney then indicated that fundraising results for the past four years have not met expectations and there is a need to improve our efforts in the future.

The meeting adjourned at 11:23 a.m.

Zuhilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE DEVELOPMENT COMMITTEE

Tuesday, November 9, 2004; 2:30 p.m.
Room 3215, Campus Center
100 Morrissey Boulevard
Boston, Massachusetts

Committee Members Present: Chair Mahoney; Vice Chair O'Shea; Chair Karam

Committee Members Absent: Trustees Fey and Labrecque

University Administration: President Wilson; Chancellors Lombardi and Motley; Mr. Goodhue, Alumni Affairs

Development Staff: Dr. Dale, Vice Chancellor for University Advancement and Executive Director, UMASS Amherst Foundation; Mr. Fencil, Acting Vice Chancellor for Institutional Advancement, UMASS Boston; Mr. Ramsbottom, Executive Director, UMASS Dartmouth Foundation; Mr. Eynon, Executive Director, University Advancement, UMASS Lowell; Mr. Miller, Chief Executive, UMASS Memorial Foundation

Chair Mahoney convened the meeting at 2:36 p.m.

The first item on the agenda was **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and

VOTED: To approve the minutes of the July 22, 2004 meeting of the Committee.

President Wilson then provided an update on the last meeting's discussion on Matching Funds/Request to have matching funds available.

President Wilson announced that Joseph Cofield has resigned from his position as Executive Director of the UMASS Foundation. He also announced that Kathleen Phelan will become Assistant to the President for University Relations in support of development efforts.

President Wilson indicated that there will be a Search to replace Joe Cofield. He indicated that a study has been prepared by a consultant and a proposal has been made to assess what the next steps should be.

There was then a discussion on the new position to be created in-light-of Joe Cofield's departure. Highlights from the discussion included:

- It is important to hear input from the Chancellors and Trustees on the expectations for the new position;
- How can the President's Office provide support for the different campuses with fundraising/development efforts?
- The campuses have campus-specific needs;
- The role of the President is to work with the campuses as a team with fundraising efforts;
- Joe's replacement should be an individual with a marketing strategy.
- The basic steps of marketing are not taking place on the campuses. The marketing system is broken and it has to be re-created;
- How can we set goals to use the President's prestige and power, Trustee resources and existing friends to link and network with possible donor prospects?
- The vast majority of sales come from volunteers and our development model does not have enough volunteer involvement;
- Trustees have indicated that they are not asked to help with fundraising efforts;
- There is reluctance by the campuses to work with Trustees;
- We have several models, what can be done collaboratively to fill some of the holes?

Chair Mahoney then proposed organizing a breakfast (possibly 25 people), to help with development efforts. The breakfast would include Chair Karam, Trustees, and 2-3 friends of the individual campuses donor base to discuss a list of possible donor suspects and corporate hunches.

The next item on the agenda was **Status of Fundraising Goals for 2004-2005 - First Quarter**. Chair Mahoney reported that $71 million was raised last year in totals and $63 million in cash, pledges and grants. To date we are at 15% of the 2005 goal.

The Development Officers then provided an update on the **Status of Fundraising Goals for 2004-2005 - First Quarter**.

Amherst (Chancellor Lombardi)

- UMASS Amherst is low in the first quarter. It is holding on for one of its donor to get the matching program in place;
- Another $2.5 million has been raised against the state program;
- There is a $1 million commitment through the Nantucket Fund.

Boston (Mr. Thomas Fencil)

- UMASS Boston's 2005 goal is 30% higher than last year;
- There is an umbrella proposal with the Yawkey Foundation;
- Confident that the 2005 goal will be met.

Dartmouth (Mr. Donald Ramsbottom)
•UMASS Dartmouth is working on three 7-figure gifts;
•Confident that the 2005 goal will be met;
•Chancellor MacCormack has announced the hiring of the Vice Chancellor for Institutional Advancement prior to January 1st;
•Chair Karam and Trustee Mahoney want to meet the finalist.

Lowell (Mr. Matthew Eynon)
•UMASS Lowell received $660,000 cash gift today;
•The 2005 goal is the same as last year;
•UMASS Lowell has $1.2 million in Major Gifts and Pledges;
•UMASS Lowell has $1.3 million in incoming Gifts;
•UMASS Lowell has a large Gift-in Kind from Exxon Mobil.

Worcester (Mr. Rod Miller)
•UMASS Worcester is a bit ahead of last year;
•UMASS Worcester has received a $500,000 gift for the Emergency Care Campaign;
•Grants are slightly down;
• UMASS Worcester is working on two 7-figure gifts.

Chair Mahoney then announced that he and/or President Wilson will follow-up on the breakfast for volunteerism.

The meeting adjourned at 3:52 p.m.

Zunilka Barrett
Staff Associate

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE GOVERNANCE COMMITTEE

Tuesday, May 18, 2004; 9:00 a.m.
Knapp Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Bissonnette Moes; Vice Chair Rainey; Trustees Giblin and White

University Administration: President Wilson; General Counsel O'Malley

Chair Bissonnette Moes convened the meeting at 9:02 a.m. and asked President Wilson for his input regarding the future of Board governance. President Wilson responded that this is a high energy Board and strong leadership is critical to the future. President Wilson also stated that his plans include keeping the Board members informed of important issues and to try to keep the lines of communication open.

President Wilson also stated that many issues should be solved internally. He recently instituted the reviews for Chancellors Gora and MacCormack and reviews for Chancellors Hogan and Lazare are in the future. Next year Chancellor Lombardi will mark his third year in office and his review will begin.

President Wilson also noted that continuity of leadership is important for the University as he transitions from his interim position to that of a permanent President. The University is in a very visible position and needs a Chair with deep knowledge of the University and Massachusetts.

Chair Moes then brought up the issue of out-of-state Trustees and what the process would be to allow Trustees to participate and vote via conference call or teleconferencing. General Counsel O'Malley responded by noting that language had been drafted that would allow such action but the issue has not yet been considered by the Legislature. Currently the open meeting law prohibits the members of the Board from deliberating and voting via telephone.

There was also discussion about the Board meeting attendance requirement. The current statute allows Trustees to miss four meetings of the year exempting the months of July and August, thus Trustees cannot be removed from the Board for their absences at Board meetings. A new Trustee Code of Conduct policy recently adopted, requires active Trustee participation.

Following a discussion about the next steps, it was determined that General Counsel O'Malley would draft legislation that would permit Trustee attendance via telephone and amend legislation that grants special dispensation for the University that would allow a three meeting violation. These issues should be discussed with the Senate President and the Governor's office. Chair Fey is expected to meet with the Governor in the near future and could approach these subjects.

There was also discussion about forming a Compensation Committee, an issue brought up at the last Board meeting. Chair Moes asked Trustee Rainey to chair an ad hoc committee of the Governance Committee with Trustees DiBiaggio, O'Shea and Giblin. The ad hoc Committee would consider the feasibility of adding a Compensation Committee. General Counsel O'Malley suggested that a compensation committee be structured similar to that of other universities.

Chair Moes stated that she would contact Chair Fey about notifying Trustees DiBiaggio and O'Shea about their membership in this Committee. General Counsel O'Malley will draft legislation amending the University's Board meeting requirements and prepare revisions to the By-Laws reflecting those changes as well as provide back-up materials for compensation issues.

President Wilson reiterated that he will address the work load that has been thrust on some members of the Board as well as the Trustee/Chancellor relationships.

President Wilson and General Counsel O'Malley departed the meeting at 9:35 a.m. as the members of the Governance Committee discussed next year's slate of officers. The Committee requested that they meet again in approximately four weeks.

The meeting was adjourned at 10:35 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE GOVERNANCE COMMITTEE

Thursday, June 17, 2004; 9:00 a.m.
Small Board Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Bissonnette Moes; Vice Chair Rainey; Trustee Giblin

University Administration: General Counsel O'Malley

Chair Moes convened the meeting at 9:00 a.m. and reported on her discussions with President Wilson, Chair Fey and Trustee Dubilo regarding the need to separate the Audits from the Committee on Administration, Finance and Audit. There should be a separate Committee that would raise people's awareness regarding the importance of audit issues.

Chair Moes also reported that Trustees would prefer an Audit Committee that would include non Trustees such as business and community leaders. General Counsel O'Malley responded that according to the statute, non Trustee members would not have the right to vote. Chair Moes asked General Counsel O'Malley to look into this to see how other Universities are handling this issue.

There was also an update on the idea of forming a Compensation Committee. Trustee Rainey had talked to Trustees DiBiaggio and O'Shea; Trustee DiBiaggio agreed to chair a Compensation Committee. There was also discussion about the issues the Compensation Committee would address; do they limit their duties to the President's Compensation or include Chancellors. It was agreed that this issue needs further review.

Before General Counsel O'Malley's departure it was agreed that he would draft revisions to the By-Laws and the Executive Compensation Policy specifying the responsibilities of a Compensation Committee and separating Audits from the Committee on Administration, Finance and Audit. The Executive Compensation Policy would also need to be revised to include the newly established Compensation Committee.

The Committee then continued to discuss the slate of officers for 2004/2005 and agreed to meet again in the near future.

The meeting was adjourned at 10:45 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

MINUTES OF THE MEETING OF THE GOVERNANCE COMMITTEE

Tuesday, July 6, 2004; 8:30 a.m.
Small Board Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Bissonnette Moes; Vice Chair Rainey; Trustees Giblin and Kennedy

University Administration: President Wilson; Executive Vice President Julian; General Counsel O'Malley

Chair Moes convened the meeting at 8:35 a.m. General Counsel O'Malley explained the revisions to the By-Laws and the Executive Compensation policy that had been recommended at the June 17th meeting. It had been the intention of this Committee to establish a separate Audit Committee with several non-Trustees as members.

There was also discussion about revisions to the By-Laws and the Executive Compensation Policy which would allow a newly constituted Compensation Committee that would recommend the terms and conditions of the President to the Board. In the past the Chair has determined the salary and terms of the President's package notifying the Board members of the terms.

President Wilson stated his belief that these revisions were reasonable.

Chair Moes announced her intention to allow more time for the Committee to review the proposed revisions to the By-Laws and the Compensation Policy, particularly the revisions that consider the Sarbanes-Oxley Act. There was discussion about adding non Trustee members to the Audit Committee and if the Board should also consider hiring outside counsel and/or financial experts to review the audits.

The Committee then returned to the discussion of the Compensation Committee and the revisions to the Executive Compensation policy. Some potential issues included: should there be a more formal review of the President; should there be an annual review by the Chair or the Compensation Committee? Should all matters of evaluation and compensation for the President be reviewed by the Compensation Committee or should some duties remain with the Chair. What process should determine the President's performance?

It was noted that the Chair of the Board may be too close to the President and not as objective when it comes to performance. There was discussion about forming an annual Evaluation Committee and if should there be explicit language added about its intent.

There was more discussion about the Audit Committee and the issue of adding non trustee members to the Committee. Do we need to add explicit Sarbanes-Oxley language and would it be setting a precedent to add such members? President Wilson stated that non member financial experts would be beneficial to this particular Committee. General Counsel O'Malley should explore the legality of this issue further before a final decision is made by this Committee.

There was further discussion about striking the word "performance" from the By-Laws in regards to the "performance" of the President and add "annual review".

Chair Moes related a recent discussion with Chair Fey regarding the future role of the Chair of the Board and suggested the role of Vice Chair be expanded to include some of the Chair's duties such as serving on the UMASS Foundation, UMASS Building Authority and liaison to the Board of Higher Education.

The Committee agreed to meet again in a week's time and continue the discussion of the slate of officers for 2004/2005.

The meeting was adjourned at 9:40 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

UNIVERSITY OF MASSACHUSETTS

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MINUTES OF THE MEETING OF THE GOVERNANCE COMMITTEE

Tuesday, July 20, 2004; 9:30 a.m.
Wood Room
One Beacon Street – 26th Floor
Boston, Massachusetts

Committee Members Present: Chair Bissonnette Moes; Vice Chair Rainey; Trustees Giblin and Kennedy

University Administration: President Wilson; Executive Vice President Julian; General Counsel O'Malley

Chair Moes convened the meeting at 10:35 a.m. General Counsel O'Malley discussed the issue of adding non-voting members to the soon to be established Audit Committee. General Counsel O'Malley stated that after a thorough review of the issue, he has concluded that the addition of non-voting members would pose problems in issues of liability and is recommending the Committee reconsider this proposal. It could also create several conflict of interest issues.

Chair Moes and the Committee members agreed with the General Counsel's assessment and that another option would be bringing in consultants to deal with specific issues.

Another issue that had been discussed was the ability of Trustees to attend and vote at Committee and Board meetings via conference calls or teleconferencing. General Counsel O'Malley had written legislation to make this change and submitted it to the Executive Vice President for his action. There was a request that Executive Vice President Julian provide an update on the status of this legislation.

There was then a lengthy discussion about the duties of a newly established Compensation Committee. It was determined that the Compensation Committee would recommend to the Board all matters pertaining to the compensation of the President of the University. The Executive Compensation policy would also be amended to incorporate the duties of the Compensation Committee with regard to the President's contract and Chancellors terms and conditions.

The Committee also agreed to add the stipulation that would allow the Chair of the Board in consultation with the Chair of the Compensation Committee and the Board, to conduct an annual review of the President.

There was also a discussion about the need to revise the Board/Committee meeting schedule. There was talk about scheduling all Committee and Board meetings on a two day or possibly one day schedule. The Governance Committee members indicated that the current schedule hadn't posed problems with the majority of the Board members and that the administration would continue to address the improvement of teleconferencing capabilities for Trustees unable to attend in person.

It was agreed that General Counsel O'Malley would prepare the final language of the revisions to the By-Laws and Executive Compensation Policy; such revisions would be distributed to the Governance Committee members for one final review and said revisions would be mailed to the Board members in their August Board meeting mailing. The Slate of Officers and Committee Leadership assignments would be finalized in the next week and distributed to the members of the Board before the Board meeting.

The meeting was adjourned at 11:11 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees

University of Massachusetts
University Investment Committee
Advisor Interviews
April 12, 2004

Present: Trustees Fey, Dubilo, White and Karam,
Vice President Lenhardt and Associate Treasurer Marquis

Trustee Dubilo called the meeting to order at approximately 10:30 a.m.

Prior to this meeting the committee agreed to bring two finalists for the position of Investment Advisor in for interviews. The firms of Callan Associates and New England Pension Consultants were each given the opportunity to discuss their firm philosophy and qualifications and answer a series of questions from the committee...

Each presentation contained a brief summary about the firm, the qualifications of the management and staff and the length of time that key persons have been with the firm, their abilities to undertake this relationship and the technical resources they bring to the engagement. After each presentation, the firm representatives were asked questions about their existing client base, their fee schedule, their initial observations given the materials that were sent to them in advance of the meeting and the timetable for putting a plan of action together. We also shared with each firm our expectations for the relationship. Each firm stated that they appreciated the opportunity to present to the Committee and they looked forward to working together.

At the conclusion of the interviews, the firm of New England Pension Consultants was unanimously selected by the Committee.

Vice President Lenhardt was then asked execute a contract with NEPC and to schedule other meetings directly with NEPC to get the process started.

The meeting adjourned at approximately 11:50 a.m.

Respectfully Submitted,

Philip J. Marquis
Associate Treasurer

University of Massachusetts
University Investment Committee
June 25, 2004

Attending: Trustees Dubilo, Karam and White; Vice President Lenhardt, Associate Treasurer Marquis

Absent: Trustee Fey

Guests: Douglas Moseley, NEPC
Glenn Johnson, NEPC
Kristin Reynolds, NEPC

Chair Dubilo called the meeting to order at 8:15 a.m.

Chair Dubilo introduced the representatives from New England Pension Consultants to report on their progress towards a recommendation for investment/asset allocation of the University's Operating Cash Portfolio.

Mr. Moseley discussed his understanding of the University's short term cash needs and their belief that a greater portion of the portfolio could be invested further out on the yield curve without adding a great deal of risk. He also stated that he understood the campus' need for annual cash flow.

Mr. Moseley discussed the firm's views towards interest rates over the next few years. Indications are that rates will rise modestly over the next two to three years. Mr. Moseley also noted that the portfolio continues to grow annually and suggested that there is little likelihood that there will be an immediate demand for all funds based in large part on historical cash flows.

Mr. Moseley indicated that his firm would assist University Administration and the Trustees with an Investment Policy revision to match whichever investment recommendations are accepted.

Mr. Moseley then proceeded to discuss the methodology that his firm used to model expected returns for various asset allocation scenarios. It was agreed that NEPC would look further into REITS and Managed Futures as potential asset class choices. Additional modeling would be undertaken before a final asset allocation is determined. The firms modeling takes a forward look at interest rates and asset class return projections for a period extending from five to seven years out.

Mr. Moseley's suggestions included an allocation to an Intermediate Manager as well as an allocation to a Short Duration Manager. The committee agreed to consider this recommendation and suggested to staff that they begin the search process for the two asset classes. No determinations were established to reflect what portion of the portfolio would be placed with either discipline. It was further discussed that a concentration of up

to 25% in equity like investments was appropriate for the assets. This is consistent with the current investment policy that is in place today.

The next discussion focused on custody and the need to have all assets housed with one custodian relationship. It was also discussed that we should allow the custodian to enter into securities lending in an effort to drive down the net cost of custodial services.

It was moved and seconded to proceed with a custodian search as well as short duration and intermediate fixed income manager searches. NEPC will pre-screen the universe of custodians as well as short and intermediate managers and will provide that list to the University for distribution of the RFP. NEPC will provide their selection criteria to the University for file. NEPC working with University procurement representatives and University Treasurer's Office staff will manage the process. Responses to the RFP process will be reviewed by the Committee and interviews will be conducted with the finalists. The Committee will make the final determination with regard to the selection of the manager and custodian.

The meeting adjourned at approximately 10:00

Respectfully Submitted,

Philip J. Marquis
Associate Treasurer

University of Massachusetts
University Investment Committee
September 21, 2004

Attending: Trustees Dubilo, White, Karam

Excused: Trustee Fey

University Administration: Treasurer Lenhardt, Associate Treasurer Marquis

Guests: NEPC – Doug Moseley, Kristin Reynolds

Trustee Dubilo called the meeting to order at 8:00 a.m.

The meeting started with an agenda being distributed. Objectives for the day included manager interviews for short and intermediate duration fixed income portfolios, review of the June 30, 2004 Performance Report, selection of a Custodian Bank and a preliminary discussion of Asset Allocation.

The first item on the agenda was the approval by the University Investment Committee of a Custodian Bank. Treasurer Lenhardt described the evaluation process, the short list of firms, their strengths and weaknesses and the factors that separated the candidates during the selection process. The Committee recommended and awarded the business to Mellon Trust based upon the recommendation of NEPC and Treasurer Lenhardt. The other finalists included State Street and JP Morgan. Letters will be sent to all finalists.

Starting at 8:15 a series of four interviews were conducted. The firms were limited to thirty minutes to describe their firm and how they would manage the University's assets. All finalists interviewed were selected following a very formal and thorough screening process conducted by NEPC in coordination with University Administration. Appropriate procurement guidelines were established and agreed to by the President's Office Director of Procurement and followed. Separate screening materials and originals of all responses submitted by each manager are maintained under separate file in the Treasurer's Office. All four managers were being considered for either or both of the disciplines. Each manager is very capable of managing either discipline. Mr. Moseley discussed some of the initial screens

The firms interviewed included Income Research & Management, Inc., Blackrock, Merganser Capital Management and Western Asset Management. After careful discussion and deliberations, the University Investment Committee unanimously selected IR&M to manage the intermediate portfolio and WAM to manage the short portfolio. Each manager will be funded with an initial balance of approximately $100,000,000. Additional allocations will be based on the final asset allocation model which is still being refined.

The next agenda item was the discussion of the 6/30/04 performance. Mr. Moseley reminded the committee that historical comparisons will be difficult given that the University has been cash like for the past year as we worked our way through the internal to external management transition. The cash like position was agreed to by the Committee at their November 2003 meeting. .

The Committee reviewed the performance for the period ended June 30, 2004. Mr. Moseley was asked to bring to the group for discussion at the next meeting an analysis of all equity managers. Discussion centered on certain underperformance in the portfolio and how we might address this in the future.

The next discussion was a continuation of the discussion about asset allocation. Initial contributions to the short and intermediate managers will be approximately $100,000,000 each. It is possible that we will increase allocations to the Alternative Asset Managers as well as IR&M Convertible Bonds but that will be determined as we get a better handle on average cash balances as well as how much short term liquid cash the Treasurer's Office needs on hand.

The group closed with a job well done. Plans should be put in place to have the transition to the new custodian and managers by November 2004.

Meeting adjourned at approximately 11:00.

Respectfully Submitted,

Philip J. Marquis
Associate Treasurer

University of Massachusetts
University Investment Committee
November 30, 2004

Attending: Trustees Dubilo, White, Karam

Excused: Trustee Fey

University Administration: Treasurer Lenhardt, Associate Treasurer Marquis

Guests: NEPC – Doug Moseley, Kristin Reynolds

Trustee Dubilo called the meeting to order at 8:00 a.m.

The meeting started with an agenda being distributed. Objectives for the day included acceptance of prior meeting minutes, review of the draft Investment Policy, manager interviews for the high yield bond portfolio, review of the September 30, 2004 Quarterly Performance Report, and continued discussion of the Asset Allocation Targets.

The first item on the agenda was the approval by the University Investment Committee minutes since November 2003.

Mr. Moseley discussed the aggregate portfolio performance and the general market conditions. All members received a copy of the quarterly report prepared by NEPC for the quarter ended 9/30/04.

Mr. Moseley spent a little time describing each manager and their performance. He suggested that we begin a search for an enhanced index fund to replace the Fidelity Blue Chip Fund which should be sold immediately. He also suggested the termination of State Street Global Advisors. Proceeds form the State Street sale to be deposited in the American Funds. Proceeds from the Fidelity sale to be deposited on a temporary basis in to an S&P 500 Index until a systematic search could be done for an Enhanced Index Product. No other manager replacements were recommended at this time.

In addition to his recommendation to sell Fidelity and State Street Global, Mr. Moseley recommended that a global bond search be conducted as was discussed in previous asset allocation discussions. Hedge fund managers were discussed. Mr. Moseley likes the strategy and our current manager selections. No changes for hedge funds discussed at this time. Mr. Moseley will work with the University Treasurer's Office to RFP both an enhanced index manager as well as an international equity manager.

Starting at 8:45 a series of interviews were conducted. Firms invited to present today are Penn Capital, Post Advisors and Loomis Sayles. The firms were limited to thirty minutes to describe their firm and how they would manage the University's assets. All finalists interviewed were selected following a very formal and thorough screening

process conducted by NEPC in coordination with University Administration. Appropriate procurement guidelines were established and agreed to by the President's Office Director of Procurement and followed. Separate screening materials and originals of all responses submitted by each manager are maintained under separate file in the Treasurer's Office. Each manager is very capable of managing the high yield discipline. Mr. Moseley discussed some of the initial screens

Following the interviews and after careful discussion and deliberations, the University Investment Committee unanimously selected Post Advisors to manage the high yield portfolio. Post Advisors will be funded with an initial balance of approximately $25,000,000 sometime in the first quarter of 2005. Additional allocations will be based on the final asset allocation model which is still being refined.

The next discussion was a continuation of the discussion about asset allocation. Initial contributions to the short and intermediate managers will be approximately $100,000,000 each. It is possible that we will increase allocations to the Alternative Asset Managers as well as IR&M Convertible Bonds but that will be determined as we get a better handle on average cash balances as well as how much short term liquid cash the Treasurer's Office needs on hand.

Prior to the close of the meeting Mr. Moseley circulated a first draft of the revised Investment Policy. Members were asked to review and comment on any component. A further refined draft would be available for the next meeting.

Meeting adjourned at approximately 10:30.

Respectfully Submitted,

Philip J. Marquis
Associate Treasurer